

**ALASKA MUNICIPAL BOND BANK
AUTHORITY**

BOARD OF DIRECTOR'S MEETING

**TO BE HELD AT
Offices of Wohlforth, Brecht & Cartledge
900 West 5th Ave., Suite 600
Anchorage AK**

April 9, 2015

10:00 A.M.





333 Willoughby Avenue, 11th floor
P.O. Box 110405
Juneau, Alaska 99811-0405

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AGENDA FOR BOARD OF DIRECTOR'S MEETING

Offices of Wohlforth, Brecht, & Cartledge
900 West 5th Avenue, Suite 600, Anchorage, Alaska
April 9, 2015 at 10:00 a.m.

- I. Call to Order**
- II. Roll Call**
- III. Public Meeting Notice**
- IV. Approval of Agenda**
- V. Minutes of the February 3, 2015 Meeting of the Board of Directors**
- VI. General Business**
 - A. Loan Application – Update on Kenai Peninsula Borough**
 - B. Resolution 2015-02 –Authorizing a direct loan to Kenai Peninsula Borough**
 - C. Loan Application – City of Cordova General Obligation**
 - D. Loan Application – Municipality of Skagway General Obligation**
 - E. Loan Application – City & Borough of Juneau General Obligation**
 - F. Loan Application – City & Borough of Juneau Harbor**
 - G. Resolution 2015-03 Authorization for the Series 2015 Two A and B Bonds**
 - H. Investment Manager's Report**
 - I. FY 2015 – Interim Financial Statements**
 - J. 2015 One Post Sale Summary**
 - K. Executive Director's Report**
- VII. Public Comments**
- VIII. Board Comments**
- IX. Adjournment**

The Alaska Municipal Bond Bank Authority meeting

The Alaska Municipal Bond Bank Authority will hold a meeting in the Offices of Wohlforth, Brecht, & Cartledge 900 West 5th Avenue, Suite 600, Anchorage, Alaska, on April 9th, 2015 at 10:00 a.m. The meeting will include, but is not limited to, the following agenda items:

Kenai Peninsula Borough Loan Request - Revenue

Resolution 2015-02 Authorizing a Direct Loan to Kenai Peninsula Borough

Loan Application City of Cordova - General Obligation

Loan Applications Municipality of Skagway - General Obligation

Loan Application City & Borough of Juneau Harbor Revenue

Loan Application City & Borough of Juneau - General Obligation

Resolution 2015-03 Authorizing Series 2015 Two A and B Bond Issue

2015 One Post Sale Summary

FY 2015- Interim Financial Statements

Executive Directors Report

The public is invited to attend. Individuals who may need special modifications to participate should call 907-465-3750 prior to the meeting.

Dated March 25, 2015

Deven Mitchell, Executive Director

Attachments, History, Details

Attachments

None

Revision History

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Details

Department: Revenue
Category: Agency Meetings
Sub-Category:
Location(s): Statewide
Project/Regulation #:

Publish Date: 3/25/2015
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Events/Deadlines:



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MINUTES for the BOARD OF DIRECTORS MEETING

ALASKA MUNICIPAL BOND BANK AUTHORITY

February 3, 2015

I. CALL TO ORDER

Mark Pfeffer called the meeting to order at 9:03 a.m. Members participated at the offices of the State of Alaska, Department of Revenue, Commissioner's Conference Room, 333 Willoughby Avenue, 11th Floor, Juneau, Alaska 99811, or telephonically.

II. ROLL CALL

Michael Lamb
Pam Leary
Mark Pfeffer
Greg Gurse
Luke Wells

OTHERS IN ATTENDANCE

- Deven Mitchell, Executive Director, Alaska Municipal Bond Bank
- Ryan Williams, Finance Director, Alaska Municipal Bond Bank
- Chip Pierce, Financial Advisor, Western Financial Group
- Cindy Cartledge, Bond Counsel, Wohlforth, Brecht, Cartledge & Brooking
- Shirley Rich, Wohlforth, Brecht, Cartledge & Brooking
- John Stavig, Finance Director, City of Cordova
- Thomas Klinkner, Birch Horton Bittner and Cherot

III. PUBLIC MEETING NOTICE

A copy of the Online Public Notice concerning the date, location, and purpose of the meeting was reviewed for the record. Online Public Notice was published on 1/21/2015.

IV. APPROVAL OF AGENDA

The agenda was approved without objection

V. MINUTES of the November 19, 2014 Board of Directors Meeting

Chip Pierce noted that the discussion of his post sale summary within the minutes needed an amendment to read "2014 Series Three Bonds," striking "2013 Series Three Bonds." Mark Pfeffer noted the amendment, and there were no additional comments. The minutes were approved as amended without objection.

VI. GENERAL BUISNESS

City of Cordova Loan Request

Mr. Pierce highlighted the City of Cordova's general obligation bond application, for up to \$2 million, with the Bond Bank. The general obligation bonds would be secured by the City, and plans to use the Bond Bank loan for street improvements include items related to new and reconstructed drainage, sidewalks, base courses, and asphaltic pavement. The loan would cover engineering, construction, and other expenses to complete approximately 8,000 linear feet of streets in the City of Cordova. Mr. Pierce then presented additional loan analysis and overview of security of the general obligation loan request to the Board. The requested term of the loans is up to 20 years. The expected maximum annual debt service from this loan is \$135,000 and total City of Cordova annual debt service is approximately \$1.81 million. The City's state-shared revenues are \$19.3 million, providing coverage of 10.63 times total debt service. Estimated borrower savings were calculated at \$208,000 on a present value basis. Mr. Pierce then reviewed the results of the general obligation election on November 4, 2014, with the project being approved by a margin of 64.5% to 35.5%, almost a 2 to 1 margin by the voters. The trend in Cordova's general fund revenues were depicted in a chart on Mr. Pierce's loan analysis, with the City's diverse revenue mix highlighted. From 2009 through 2013, the

main general fund sources have been derived from sales taxes at 29.4%, other revenues at 23.4%, and property taxes at 16.8%. The growth in other revenues in recent years is largely a result of an increase in various state funds received, including revenue sharing, PERS relief and public safety grants – Cooperative tax refunds from the state have also increased in the past 4 years by 50% to approximately \$150,000 in 2013. The general fund has remained steady in a range between \$4.6 million and \$5.5 million over the years 2009 through 2013. Additionally, the City maintains a General Revenue Special Reserve fund which closed fiscal year 2013 with a balance of \$10.67 million, and Mr. Pierce noted the fund is available for emergencies and unforeseen financial needs. Mr. Pierce described the City of Cordova's revenues subject to intercept by the Bond Bank as an additional security feature of the proposed loan by the Bond Bank, with a healthy coverage ratio of 10.63 times. Mr. Pierce noted that the "no litigation letter" has not been received at this time, and would be followed up on immediately as this would need to be obtained before funding of the loan. Mr. Pierce recommended loan approval, but noted subject to receipt of the no litigation letter. Mr. Pfeffer asked if there were any questions by the board. Michael Lamb asked what portion of the year end general fund balance was restricted. John Stavig was asked to answer from the City of Cordova. Mr. Stavig stated that it has all been restricted, and that there was an additional special revenue fund. Mr. Lamb followed up with asking if the City can tap this special revenue fund should the need arise to make debt service on obligations of the City. Tom Klinkner, counsel for the City, yielded to the question – replying yes, the special revenue fund if available for debt service should this situation arise. Mr. Greg Gursey moved that the City of Cordova loan request for up to \$2 million of general obligation bonds for their street improvements be approved subject to receipt of the no litigation letter. Mr. Lamb seconded the motion. The motion was approved unanimously with five yes votes.

Resolution 2015-01 authorizing the issuance of General Obligation and Refunding Bonds, 2015 Series One, of the Alaska Municipal Bond Bank

Ms. Cartledge introduced resolution 2015-01, authorizing the issuance of a principal amount not to exceed Seventy Million Dollars (\$70,000,000.00) in General Obligation and Refunding Bonds. Ms. Cartledge noted that Bond Bank Board packet contains the resolution, the form of loan agreement, the form of amendatory loan agreement, and a copy of the preliminary official statement. Ms. Cartledge noted that the 2015 Series One bonds will provide for the following purposes: 1) a loan to the City of Craig, Alaska, in the principal

amount not to exceed \$2,000,000 to be used to finance capital improvements to the municipal swimming pool, 2) a loan to the City of Cordova, Alaska, in the principal amount not to exceed \$2,000,000 to be used to finance road capital improvements, 3) the refunding of the maturities, or portions thereof, of the 2005 Series A Bonds, the 2005 Series B Bonds, the 2006 Series A Bonds, the 2008 Series Two Bonds, the 2009 Series One Bonds, and the 2009 Series Two Bonds, and 4) making a deposit, if any, in the 2005 Reserve Fund to satisfy the reserve requirement. The bonds will be sold on a negotiated basis, the redemption features associated with the bonds will be determined at the time of the sale. Mr. Lamb asked a question associated with the \$70 million not to exceed limit, with the refunding and new money loans coming up to an aggregate amount of approximately \$58 million. Mr. Pierce yielded to the question, noting that the \$70 million not to exceed limit allows for a reasonable cushion taking into consideration the couponing of the final issuance, with the current market environment bearing a premium structure. Mr. Welles moved approval of Resolution 2015-01, and Mr. Gursey seconded the motion. The Resolution was approved unanimously with five yes votes.

Executive Director's Report

The following items were reported to the Board from Mr. Mitchell's prior written and submitted report contained within the board packet:

Yukon Kuskokwim Health Consortium – Based on the Board's approval on November 19, the attached letter of support was sent to Dan Winkelman (letter included in the board packet), CEO of the Yukon Kuskokwim Health Consortium (YKHC) and the push to build a new \$250 million hospital in Bethel. In January Mr. Winkelman let me know that their project had scored #1 in the Indian Health Service Joint Venture Construction Program, and that they were going to be working with Senator Hoffman's office on legislation to expand Bond Bank's powers.

MCDC Filing - On November 21 we submitted the attached material event notice in accordance with the direction provided at the last board meeting. All required filings for the current filing period have been made.

Quarterly Ethics Filing – On January 13, Mr. Mitchell filed the quarterly ethics report as required.

VII. PUBLIC COMMENTS

There were none.

VIII. BOARD COMMENTS

There were none.

IX. ADJOURNMENT

Mr. Pfeffer adjourned the meeting without objection at 9:40 a.m. ADT.

Mark Pfeffer, Chairman

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	Kenai Peninsula Borough
Loan Amount:	Initial Application – Not to exceed \$43,000,000 This loan – Approximately \$3.2 million
Project Type:	Specialty clinics associated with Central Peninsula Hospital
Project Description:	The Borough will apply the proceeds of the Bond Bank loan toward the construction of a Specialty Clinic Building scheduled for Completion in late 2015 or early 2016. Benefits of the SCB include addressing the lack of space for the spine clinic, space for additional specialties, aligning service lines to include imaging, rehab therapy, infusion oncology and physician clinics to foster a more integrated model of service deliveries that promotes efficiency and patient satisfaction.
Term of Loan:	less than 10 years
Revenues Pledged to Loan:	Gross hospital revenues
Most Recent FY Pledged Revenues:	\$126.7 million
Estimated Annual Debt Service (includes 2014 loan):	\$3.4 million
Total Bond Bank Fiscal Year 2015 Debt Service:	\$14.1 million
Most Recent FY Debt Service Coverage Ratio:	37.3X
Most Recent FY State-Shared Revenues (SSR):	\$116.3 million
Debt Service Coverage of AMBB DS from SSR:	8.22x
Loan Subject to State Debt Service Reimbursement:	No
Estimated Borrower Savings (Gross):	\$259 thousand
Estimated Borrower Savings (Present Value):	\$234 thousand
No Litigation Letter Received:	Yes

Loan Application Evaluation

Kenai Peninsula Borough

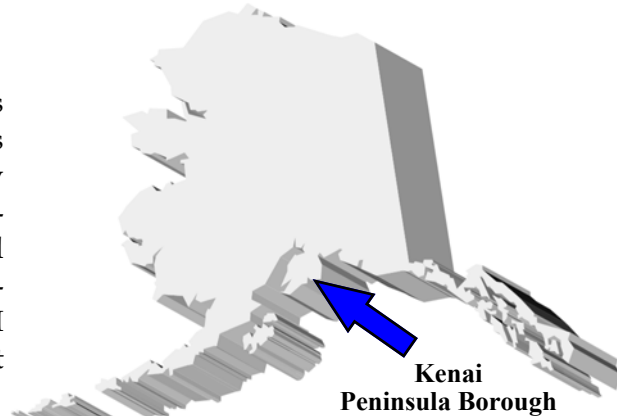
Introduction

Kenai Peninsula Borough (the “Borough”) previously submitted an application to the Bond Bank for a loan not to exceed \$43,000,000. In 2014 the Bond Bank issued \$32.49 million related to this request. The current request is for approximately \$3.2 million. The Borough will use its loan toward construction of specialty clinics associated with Central Peninsula General Hospital. We have completed our review of this application and following is our overview of this project and the security provisions associated with the loan.

The Project

Central Peninsula Hospital (CPH) is constructing a three story Specialty Clinics Building (SCB) consisting of approximately 88,000 square feet. In 2003, the Central Kenai Peninsula Hospital Service Area sold \$49.9 million of bonds to expand and renovate the hospital as part of Phase I, II, & III of a comprehensive Hospital redevelopment plan.

Construction of a Specialty Clinic Building began in 2014 with completion scheduled for early 2016. The SCB will address the lack of space for the spine clinic and additional specialties, align service lines to include imaging, rehab therapy, infusion oncology and physician clinics to foster a more integrated model of service deliveries. Construction of the SCB will also allow CPH to complement services in the newly build Radiology Oncology Clinic. This is Phase V of a plan that was developed in 2003 and updated in 2006, 2009 and 2012.



Central Peninsula General Hospital Financial Position

Kenai Peninsula Borough owns the facilities of Central Peninsula General Hospital and the land that the Hospital's facilities occupy. Central Peninsula General Hospital, Inc. is a 501(c)(3) organization that has operated CPGH on behalf of the Borough since 1998. The current lease agreement expires in 2017.

As part of the Phase V project, the Borough submitted a Condition of Need certificate application to the State in July 2013. That application was conditionally approved, but required some modifications. Specifically, certain project components associated with x-ray imaging and CT scan equipment and facilities were rejected, requiring resubmittal of the project budget to the State.

The financial condition of CPGH has improved significantly in the past seven years. During that period, the hospital has expanded the types of medical services offered and captured market share of procedures and treatments that formerly required travel outside the Borough. For example, in 2011 the Borough hired a spinal surgical specialist. In 2012 that practice, which had not been available in the Borough, generated \$11.2 million of additional revenue to the hospital. In 2007, the hospital's operating revenues (net of contractual adjustments for Medicare, Medicaid and private insurance) totaled \$62.6 million. By fiscal year 2014, operating revenues had more than doubled to \$126.7 million. The graph on the following page presents CPGH operating revenues over the past 10 years.

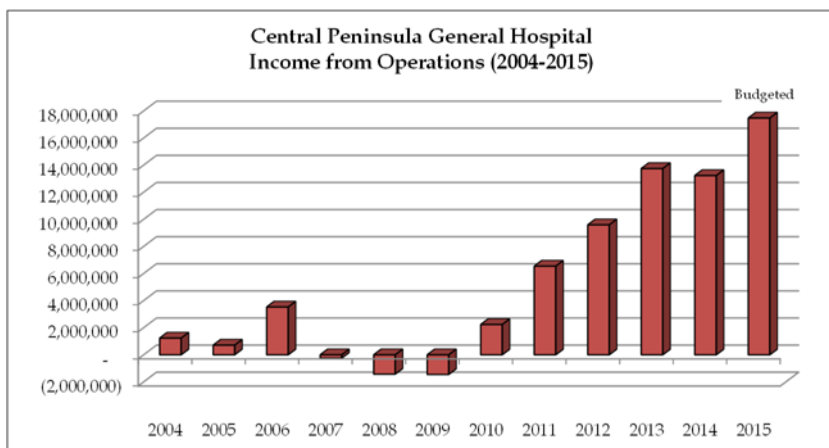
As the graph demonstrates, operating revenues have shown a consistent growth pattern during the last decade. From 2004 through 2014 total operating revenues have in-

creased by more than 200%. This translates into a compounded annual growth rate of almost 12%. Borough staff report that that growth pattern is budgeted to continue in 2015.

CPGH administration implemented a 6% rate increase for FY2014. This produced gross patient revenues of \$230.6 million and net patient revenue after deductions of \$134.0 million. CPGH

administration believes that with increased revenue pressure resulting from healthcare reform, modest rate increases will position the hospital to increase market share through both competitive pricing and increased service lines and state-of-the-art equipment.

Annual price increases are not uncommon at CPGH. Since 2000, the hospital has increased rates annually an average of 7.38%. Modest increases have allowed the hospital to improve its financial health significantly.



Some of financial improvement has been the result of funded capital projects and additional service lines. Maintaining competitive pricing has also allowed CPGH to absorb increasing levels of uncompensated care.

In FY2013, CPGH worked to increase awareness of expense control. These efforts have included significant amounts of department director education,

strong negotiations with the nurses union, negotiations with a new hospitalist group, development of a dual health insurance plan, and negotiations with supply vendors for increased discounts. These have resulted in cost savings for the organization that, management believes, will continue to enhance financial results in fiscal year 2015 and beyond.

Certificate of Need

The State's Department of Health and Social Services takes an active role in insuring that the medical facilities in the State are sufficient to meet demand, but do not exceed demand. The Certificate of Need program is a review process that, according to the DHSS is "designed to promote responsive health facility and service development, rational health planning, health care quality, and health care cost containment." The State's review of the CON application involves an assessment of both a project's design and service delivery objectives. Because the State is a primary source of funds for medical services throughout Alaska through Medicaid, it is in the State's economic interest to insure that patients, and the State, are receiving the most benefit from the State's investment. The Commissioner of the Department of Health and Social Services approved the Borough's Certificate of Need application with an anticipated project completion date of spring of 2016. The CON application cites a total cost of \$38,382,896 for construction, equipment and furnishings. This total reflects the rejection of the amounts associated with x-ray imaging and CT scan equipment and facilities.

Security Pledge

As stated previously, the Borough has obtained, a Certificate of Need ("CON") designation from the State's Department of Health and Social Services. Central Peninsula General Hospital, Inc. has leased the buildings and land at CPGH since 1998. The Specialty Clinic Building will be located adjacent to the hospital.

The Borough will pledge gross revenues from Central Peninsula General Hospital facilities to the Bond Bank loan. The payments from Central Peninsula General Hospital, Inc. will be made in approximately equal monthly amounts and will be sufficient to fund all debt service requirements on the Bond Bank loan.

The additional bonds test in the Borough's revenue bond resolution requires that, before additional parity bonds may be issued, the Borough must demonstrate that pledged revenues available to pay debt service on the new bonds and on bonds issued on parity with the Bond Bank bonds are sufficient to cover existing and projected debt service by 1.25 times based on revenue collections in any 12 consecutive months of the prior 24 months. The Borough may include estimated revenues associated with additions and betterments to the facilities as well as any rate or rent increases that have been implemented or approved. Alternatively, the Borough may issue additional parity bonds if the financial statements in any two of the prior three years demonstrate that one-half pledged revenues were sufficient to produce 1.25 times debt service coverage.

The 2015 loan will be the second issued under the Borough's revenue bond resolution and it includes a rate covenant that requires the Borough to establish, maintain and collect pledged revenues sufficient to cover debt service by 1.25 times. If the Borough fails to maintain revenues sufficient to meet the rate covenant, the bond resolution requires the Borough to retain an expert consultant to make recommendations on rate increases in order to meet the rate covenant.

With the issuance of the Bond Bank's 2015 loan, the Borough will have approximately \$120.5 million of bonds outstanding to the Bond Bank, including the bonds of service areas within the Borough. All of this debt has been issued under the Bond Bank's 2005 General Obligation Bond Resolution. The proposed loan will mature within 10 years.

In 2011 the Bond Bank issued bonds that refunded general obligation bonds issued by the Borough on behalf of the Central Kenai Peninsula Hospital Service Area in 2003 for improvements to the CPGH. Through 2010, those bonds were paid with proceeds of a property tax levied on properties within the Service Area. Since 2010, those bonds have been paid from operating revenues of the hospital. Consequently, the property tax rate declined from 0.5 mils to the current rate of .01 mils.

Future Capital Plans

A request for solid waste bonds in the amount of approximately \$12,000,000 is expected to be submitted to the voters in 2017. If approved, the first series of these bonds would be issued in 2017 or 2018 and repaid over a 6 year period and will be used for development of a new cell at the Central Peninsula Landfill. The second series would be issued in 2025.

Central Emergency Services (CES) is projecting that in FY2019, it will be remodeling Station #1. The estimated cost is approximately \$6,000,000 with funding to be provided from the sale of bonds. These bonds would be the responsibility of the CES Service Area. No other debt issues are planned by the Borough at this time.

State-Aid Intercept

In addition to the general obligation pledge by the Borough, the Bond Bank has the ability to intercept state-shared revenues that will otherwise flow to the Borough. The table below summarizes the revenues subject to intercept, along with the maximum annual debt service on Borough's bonds.

Shared Taxes and Fees	\$1,473,978
Dept. of Transportation Reimbursement	\$0
Reimbursement and Other Education Funding	\$3,084,544
Education Support Funding	\$88,600,671
Matching Grants	\$20,973,000
Community Jails	\$0
PILT Transfers	\$0
Revenue Sharing	\$2,124,472
Total Revenue Subject to Intercept	\$116,256,665
Fiscal Year 2015 Debt Service (includes 2015 Loan DS)	\$14,575,707
Debt Service Coverage	7.98

Estimated Borrower Savings

Savings to the Borough as a result of borrowing through the Bond Bank are estimated at approximately \$259 thousand or \$234 thousand on a present value basis. Savings are a result of lower costs of issuance that the Borough will face as a result of borrowing from the Bond Bank, as well as lower assumed yields.

Statement of No Litigation

Accompanying the application from the Borough is a letter from Collette Thompson, the Borough Attorney, stating that "there is no litigation pending or threatened affecting the corporate existence of Borough... or seeking to restrain or enjoin the issuance, sale or delivery the Bonds, or the rights of the Borough to pay the principal of and interest on the Bonds, ... or in any way contesting or affecting the validity or enforceability of the Bonds or the Loan Agreement between the Borough and the Bank..."

Summary

Based on our assessment, the security offered by Borough, as set forth in the Borough's loan application and supplemental materials, provides sufficient security to justify approval of the application. The gross revenue pledge provide extremely high debt service coverage of the Bond Bank loan. The Bond Bank will require that a debt service reserve fund, held by the Bond Bank's trustee, be funded at closing. Additionally, the Bond Bank's ability to intercept state-shared revenues that would otherwise flow to the Borough in the event of a failure by the Borough to make timely payments provides the ultimate security for this loan.

We recommend approval of this loan application. If you or any of the Board members have any questions regarding our analysis, please feel free to call me at (503) 719-6113.

For Western Financial Group, LLC



Chip Pierce

Kenai Peninsula Borough Economic and Demographic Information

The Borough was incorporated in 1964 as a second-class borough. It occupies a geographic area of approximately 25,600 miles. The Borough is located in the south central part of the state of Alaska. The Borough is empowered to levy a property tax on both real and personal properties located within its boundaries. State of Alaska law mandates that second-class boroughs provide certain services on an area-wide basis to all taxpayers. All other services must be approved by a majority of voters who are to receive the services. This gives taxpayers control over the type and level of services they receive and pay for. Currently, the Borough provides the following area-wide services: assessment and collection of property taxes and sales tax collection for the Borough and cities within the Borough, planning, solid waste disposal, education, senior citizen funding, post secondary education, 911 emergency communications, emergency management and general administrative services. Other services provided by the Borough include fire protection, hospital services, emergency medical and ambulance services, recreation, senior citizen funding, road maintenance, economic development, tourism promotion, and special assessment authority for utility line extensions and road improvement districts. The Borough also has non-area-wide port and harbor powers that are not currently exercised. Funding for the Borough, by order of financial significances, is provided from property tax, sales tax, state revenue, federal revenue, interest earnings, and other sources.

The Borough is home to 8 percent of Alaska's population and 6 percent of its employment. More than 56,000 people live in the Borough. Kenai is accessible by the Sterling Highway to Anchorage, Fairbanks, Canada and the lower 48 states. Scheduled and charter airlines and helicopter services are provided. Ocean-going freighters can be tendered at Seward, Homer and Kenai.

The Borough supports a diverse economy. Employment is concentrated in local government, retail trade, leisure and hospitality, natural resources and health care. Together they represented most of the Borough's employment in 2012.

The Borough economy has experienced consistent, gradual growth since the late 1980's. Borough-wide, the general government property tax rate decreased from 8.59 mills in FY1996 to 4.5 mills in FY2009, where it has remained. The Borough has a 3% sales tax, which is applied only to the first \$500 of each separate sale. Taxable sales reported in fiscal year 2014 within the Borough were \$1,023,993,000, an increase of 3.2% from the prior year, but a 16.5% increase from 2010, when the Borough felt the results of the recession that impacted the state and the rest of the nation. Sales tax continues to generate a larger portion of the Borough's revenue; in 1998, sales tax revenue represented 21% of total general fund revenues; in 2015, sales tax revenues are projected to represent almost 42%. It should be noted that the sales tax rate went from 2% to 3% effective January 1, 2008, which also allowed for a reduction in property tax rates to its current rate of 4.5 mills.

Oil and gas continues to play a vital role in the Borough's economy, although the players are changing. Large national and multinational companies are being replaced by independents, which has resulted in a resurgence in exploration and production. New players include Buccaneer Energy, Cook Inlet Energy and Hilcorp Energy, which purchased the assets of Chevron in 2012 and Marathon Oil in 2013. This has led to new wells in the Anchor Point and Kenai area, jack up rigs being used throughout Cook Inlet, along with increased exploration in other areas of the Borough, resulting in an increase in assessed value for oil and gas properties. Assessed values for oil and gas properties increased from \$703 million for 2010, to \$1.225 billion in 2016. Increased oil and gas exploration has also had an impact on the Borough's unemployment rate. The unemployment rate has decreased from 10.0% in 2010; to 9.4% for 2011; to 8.4% for 2012, and to 7.9% for 2013 and 7.7% in 2014.

**ALASKA MUNICIPAL BOND BANK AUTHORITY
RESOLUTION NO. 2015-02**

RESOLUTION OF THE ALASKA MUNICIPAL BOND BANK AUTHORITY
AUTHORIZING THE USE OF AUTHORITY FUNDS, IN AN AMOUNT
NOT TO EXCEED \$3,200,000, TO MAKE A LOAN TO THE KENAI
PENINSULA BOROUGH, ALASKA; APPROVING THE FORM OF A
LOAN AGREEMENT; AND PROVIDING FOR RELATED MATTERS

WHEREAS, the Alaska Municipal Bond Bank Authority ("Authority") is authorized by AS 44.85.080(13) to invest funds or money of the Authority in a loan to a political subdivision for the purchase of a municipal bond; and

WHEREAS, the Authority is authorized by AS 44.85.080(14) to prescribe the form of application or procedure required of a political subdivision for a loan, to fix the terms and conditions of the loan, and enter into an agreement with a political subdivision with respect to such loan; and

WHEREAS, the Kenai Peninsula Borough, Alaska ("Borough"), a political subdivision of the State of Alaska ("State"), submitted an application to the Authority for a loan in the amount not to exceed \$43,000,000, for purposes of financing improvements to the Borough's Central Kenai Peninsula Hospital Service Area Special Clinic, which was approved by the Authority on January 9, 2014, and updated on April 9, 2015 (the "Loan Authorization"); and

WHEREAS, on February 20, 2014, the Authority made a loan to the Borough in the aggregate principal amount of \$32,490,000 which was secured, in part, by duly authorized and issued registered bonds of the Borough in the aggregate principal amount of \$32,490,000, consisting of \$18,490,000 Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, 2014 Series A (Tax-Exempt) and \$14,000,000 Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, 2014 Series B (Taxable); and

WHEREAS, the Borough has requested an additional loan from the Authority, in an amount not to exceed \$3,200,000, for purposes of financing further improvements to the Central Kenai Peninsula Hospital Service Area Specialty Clinic Building ("Loan"); and

WHEREAS, payments of principal and interest on the Loan will be secured with payments received from the Borough pursuant to the terms of a loan agreement by and between the Authority and the Borough ("Loan Agreement"); and

WHEREAS, payments pursuant to the terms of the Loan Agreement will be secured, in part, by a municipal revenue bond ("Municipal Bond") issued by the Borough and of which the Authority will be the registered owner; and

WHEREAS, further security for repayment of the Loan will consist of a Borough parity reserve fund; and

WHEREAS, the Authority hereby finds and determines that it is in the public interest and will best carry out the purposes of the Authority to make the Loan to the Borough; and

WHEREAS, there has been presented to this meeting the form of Loan Agreement by and between the Authority and the Borough; and

WHEREAS, it appears that the form of Loan Agreement, which is now before the Board of the Authority, is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED BY THE ALASKA MUNICIPAL BOND BANK AUTHORITY, AS FOLLOWS:

Section 1. Authority to Make the Loan and Principal Amount. The Authority is hereby authorized to make the Loan to the Borough in an amount not to exceed \$3,200,000. The authority granted under this Section 1, shall expire 120 days from the date of approval of this Resolution No. 2015-02.

Section 2. Purpose. The Loan is being provided to the Borough to finance additional improvements to the Central Kenai Peninsula Hospital Service Area Specialty Clinic Building.

Section 3. Interest Rate and Maturity. The Loan shall bear interest at a rate not greater than five percent (5.0%) and shall mature no later than ten (10) years from the effective date of the Loan. The Loan shall be evidenced by a taxable municipal revenue bond issued by the Borough, of which the Authority shall be the registered owner.

Section 4. Principal and Interest Payments. Payments of principal shall be payable on the 1st day of March and interest shall be payable on the 1st days of March and September (or such other months (including successive months) as may be fixed and determined by the Chairman or the Executive Director), computed on the basis of a 360-day year composed of twelve thirty-day months, until the entire amount due and outstanding is paid in full. The schedule of principal and interest payments shall be included as an exhibit to the Loan Agreement.

Section 5. Prepayment. The Chairman or the Executive Director are, and each of them is, hereby authorized to determine the prepayment provisions, if any, for the Loan.

Section 6. Loan Agreement. The form and content, and the performance by the Authority, of the obligations contained in the Loan Agreement are hereby in all respects

authorized, approved and confirmed. The Chairman or the Executive Director are, and each of them hereby separately is, authorized, empowered and directed to execute the Loan Agreement for and on behalf of the Authority, including necessary counterparts, in substantially the form and content now before this meeting but with such changes, modifications, additions or deletions therein as shall seem necessary, desirable or appropriate, execution thereof to constitute conclusive evidence of its approval of any and all changes, modifications, additions or deletions therein from the form and content of the Loan Agreement now before this meeting, and that from and after the execution and delivery of the Loan Agreement, the Chairman and the Executive Director are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Loan Agreement as executed.

Section 7. Loan Trustee. The Bank of New York Mellon Trust Company, N.A., of San Francisco, California, is hereby appointed Loan Trustee.

Section 8. Chairman and Executive Director. The Chairman or the Executive Director of the Authority, or any other person authorized by the Authority, are hereby authorized to execute and deliver for and on behalf of the Authority any and all additional certificates, documents, opinions or other papers and perform all such other acts as they may deem necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution No. 2015-02.

Section 9. Recitals. These Recitals to this Resolution No. 2015-02 are incorporated herein, and by this reference, are made a part hereof as if fully set forth herein.

Section 10. Effective Date. This Resolution No. 2015-02 shall become effective immediately upon its passage and approval.

[Remainder of page intentionally left blank.]

DATED at Anchorage, Alaska, this 9th day of April, 2015.

ALASKA MUNICIPAL BOND BANK

[S E A L]

MARK E. PFEFFER
Chairman

A T T E S T:

DEVEN J. MITCHELL
Executive Director

LOAN AGREEMENT

THIS LOAN AGREEMENT (the "Loan Agreement"), dated as of the ____ day of _____ 2015, between the Alaska Municipal Bond Bank Authority (the "Authority"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and the Kenai Peninsula Borough, Alaska, a duly constituted second class borough of the State (the "Borough"):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Authority is authorized to make loans of money to political subdivisions of the State; and

WHEREAS, the Borough is a political subdivision of the State and pursuant to the Act is authorized to accept a loan from the Authority to be evidenced by its municipal bond; and

WHEREAS, the Borough submitted an application to the Authority for a loan in the amount not to exceed \$43,000,000 which was approved by the Authority on January 9, 2014 and updated on April 9, 2015 (the "Loan Authorization"); and

WHEREAS, on February 20, 2014, the Borough duly authorized and issued its fully registered bonds in the aggregate principal amount of \$32,490,000, consisting of \$18,490,000 Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, 2014 Series A (Tax-Exempt) and \$14,000,000 Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, 2014 Series B (Taxable) (together, the "Borough 2014 Bonds"); and

WHEREAS, the Borough 2014 Bonds evidence the loan between the Borough and the Authority in the aggregate principal amount of \$32,490,000; and

WHEREAS, the Borough has requested an additional loan from the Authority in the amount of \$3,200,000 (the "Loan") and the Borough has duly authorized the issuance of its fully registered bond in the aggregate principal amount of \$3,200,000 Central Kenai Peninsula Hospital Service Area Specialty Clinic Building Revenue Bond, 2015 Series A (Taxable) (the "Municipal Bond"), which bond is to be purchased by the Authority as evidence of the Loan in accordance with this Loan Agreement; and

NOW, THEREFORE, the parties agree:

1. The Authority hereby makes the Loan and the Borough accepts the Loan in the aggregate principal amount of \$3,200,000. As evidence of the Loan made to the

Borough and such money borrowed from the Authority by the Borough, the Borough hereby sells to the Authority the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A appended hereto. For purposes of this Loan Agreement, the interest on the Municipal Bond will be computed without regard to the provision in Section 7 hereof. As set forth in Section 3 and 4 hereof, the City shall make funds available to The Bank of New York Mellon Trust Company, N.A., of San Francisco, California, as loan trustee ("Loan Trustee") for the payment of principal and interest at least seven (7) business days prior to each respective principal and interest payment date.

2. The Borough represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including Resolution No. 2013-072, adopted on October 22, 2013, and Resolution No. 2014-008, adopted on January 7, 2014 (together, the "Borough Resolution"), and has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and issue its Municipal Bond to the Authority and that the Municipal Bond will constitute a revenue bond, a special and limited obligation of the Borough, all duly authorized by the Borough Resolution.

3. Subject to any applicable legal limitations, the amounts to be paid by the Borough pursuant to this Loan Agreement representing interest due on its Municipal Bond (the "Municipal Bond Interest Payments") shall be paid by the Borough to the Loan Trustee at least seven (7) business days before the interest payment date so as to provide funds sufficient to pay interest as the same becomes due on the Loan obligation.

4. The amounts to be paid by the Borough pursuant to this Loan Agreement representing principal due on its Municipal Bond (the "Municipal Bond Principal Payments"), shall be paid by the Borough to the Loan Trustee at least seven (7) business days before each principal installment date stated in the Municipal Bond so as to provide funds sufficient to pay the principal of the Loan obligation as the same matures based upon the maturity schedule stated in Exhibit A appended hereto.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the Borough pursuant to this Loan Agreement are not made available at any time specified herein, the Borough agrees that any money payable to it by any department or agency of the State may be withheld from it and paid over directly to the acting Loan Trustee, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Authority, with a copy provided to the Borough, as provided in the Act.

6. The Borough is obligated to pay to the Authority Fees and Charges. Such Fees and Charges actually collected from the Borough shall be in an amount sufficient,

together with other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality:

(a) to pay, as the same become due, the administrative expenses of the Authority; and

(b) to pay, as the same become due, the Borough's fees and expenses of the Loan Trustee for the Loan Obligations.

The waiver by the Authority of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

7. The Borough is obligated to make the Municipal Bond Principal Payments scheduled by the Authority on an annual basis commencing seven (7) business days before the dates indicated on Exhibit A appended hereto. The first such Municipal Bond Principal Payment is due seven (7) business days prior to the date indicated on Exhibit A appended hereto. The Borough is obligated to make the Municipal Bond Interest Payments scheduled by the Authority on a semi-annual basis commencing seven (7) business days before the dates indicated on Exhibit A appended hereto, and to pay any fees and charges imposed by the Authority within thirty (30) days of receiving the invoice of the Authority thereof.

8. Simultaneously with the delivery of the Municipal Bond to the Authority, the Borough shall furnish to the Authority evidence satisfactory to the Authority which shall set forth, among other things, that the Municipal Bond will constitute a valid and binding revenue obligation of the Borough.

9. Notice to the Borough for payments under this Loan Agreement shall be addressed to the Kenai Peninsula Borough, Attention: Finance Director, 144 N. Binkley, Soldotna, Alaska 99611. The Borough shall give the Authority and the corporate trust office of the Loan Trustee least thirty (30) days' written notice of any change in such address.

10. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Authority or its designee, the Authority shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the Borough to the Authority in connection with its application to the Authority for the loan shall be incorrect or incomplete in any material respect.

(b) The Borough has violated commitments made by it in the terms of this Loan Agreement.

11. The Borough agrees that it will provide the Authority with written notice of any default in covenants under the terms of this Loan Agreement and the Borough's Resolution within thirty (30) days from the date thereof.

12. The Borough hereby agrees that it shall deposit \$320,000.00, at the time of Loan funding, in its debt service reserve fund, which amount, in addition to existing amounts held on deposit therein, secures payment of principal and interest on the Borough 2014 Bonds and its Municipal Bond and, that such fund is, and shall be, held in the name of the Borough with the Loan Trustee.

13. The Borough agrees to establish, maintain and collect fees for its Medical Facilities¹ that will provide in any fiscal year Pledged Revenues² in an amount equal to at least 1.25 times the maximum annual debt service on the outstanding Borough 2014 Bonds, the Municipal Bond and all bonds issued on a parity therewith (the "Rate Covenant").

The Borough agrees to provide the Authority with annual written notice (for the term of the Municipal Bond) evidencing whether the Borough has satisfied the Rate Covenant. Such notice is to be provided by the Borough to the Authority within ninety-five (95) days after the end of the Borough's fiscal year. If the Pledge Revenues fail to produce revenues sufficient to satisfy the Rate Covenant in any fiscal year, the Borough agrees to adjust rates and charges for use of the services and facilities of the Medical Facilities to comply with the Rate Covenant effective the following fiscal year and shall provide the Authority with written notice of such adjustment.

14. The Borough hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the Borough's record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of

¹ "Medical Facilities" means all facilities operated by the operator or lessee of the Borough's specialty clinic building, either directly or indirectly for the Borough, including the Central Peninsula General Hospital owned by the Borough.

² "Pledged Revenues" means all amounts received by the Borough from the operation of all Medical Facilities (including the Central Peninsula General Hospital and the Borough's specialty clinic building) and deposited into the Specialty Clinic Building Revenue Bond Account (as defined in the Borough's Resolution) and interest and profits defined from the investment of moneys held in such Account.

proceeds. The Borough agrees that all records required by the preceding sentence shall be made available to the Authority upon request.

15. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

16. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

17. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

18. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

[Remainder of page intentionally left blank.]

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement the day and year first above written.

ALASKA MUNICIPAL BOND BANK
AUTHORITY

By: _____
DEVEN J. MITCHELL
Executive Director

KENAI PENINSULA BOROUGH, ALASKA

By: _____
CRAIG C. CHAPMAN
Finance Director

EXHIBIT A

\$3,200,000

Kenai Peninsula Borough, Alaska

Central Kenai Peninsula Hospital Service Area Specialty Clinic Building

Revenue Bond, 2015 Series A (Taxable)

("Municipal Bond")

<u>Due</u> <u>March 1</u>	<u>Principal</u> <u>Amount</u>	<u>Interest</u> <u>Rate</u>
------------------------------	-----------------------------------	--------------------------------

Principal installments shall be payable on March 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on September 1, 2015, and thereafter on March 1 and September 1 of each year.

Prepayment Provisions: [TO BE DETERMINED.]

SOURCES AND USES OF FUNDS

Alaska Municipal Bond Bank Series 2015 Two
KPB Taxable Direct Loan

Sources:	
<hr/>	
Bond Proceeds:	
Par Amount	3,200,000.00
Other Sources of Funds:	
DSRF Contribution	320,000.00
<hr/>	
3,520,000.00	
<hr/>	
Uses:	
<hr/>	
Project Fund Deposits:	
Project Fund Deposit	3,200,000.00
Other Fund Deposits:	
Debt Service Reserve Fund	320,000.00
<hr/>	
3,520,000.00	
<hr/>	

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
KPB Taxable Direct Loan

Period Ending	Principal	Coupon	Interest	Debt Service
03/01/2016	395,000	0.520%	46,202.64	441,202.64
03/01/2017	381,000	0.990%	60,241.70	441,241.70
03/01/2018	384,000	1.440%	56,469.80	440,469.80
03/01/2019	390,000	2.020%	50,940.20	440,940.20
03/01/2020	398,000	2.220%	43,062.20	441,062.20
03/01/2021	407,000	2.480%	34,226.60	441,226.60
03/01/2022	417,000	2.780%	24,133.00	441,133.00
03/01/2023	428,000	2.930%	12,540.40	440,540.40
	3,200,000		327,816.54	3,527,816.54

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	City of Cordova
Loan Amount:	\$3,000,000
Project Type:	Community center construction
Project Description:	The City will use the Bond Bank loan to construct a 34,000 square foot multi-use facility that will include several functions. The Cordova Center will include administrative offices, a museum, library, performing arts theatre/auditorium, meeting rooms, education areas and associated work space.
Term of Loan:	20 years
Revenues Pledged to Loan:	property taxes
Most Recent FY Pledged Revenues:	\$1.61 million (property taxes)
Estimated Annual Debt Service:	\$205 thousand
Total Bond Bank Annual Debt Service:	\$1.63 million
Most Recent FY Debt Service Coverage Ratio:	N/A
Most Recent FY State-Shared Revenues (SSR):	\$19.3 million
Debt Service Coverage of AMBB DS from SSR:	11.80x
Loan Subject to State Debt Service Reimbursement:	no
Estimated Borrower Savings (Gross):	\$471 thousand
Estimated Borrower Savings (Present Value):	\$339 thousand
No Litigation Letter Received:	yes

Loan Application Evaluation

City of Cordova

Introduction

The City of Cordova (the “City”) has submitted an application to the Alaska Municipal Bond Bank (the “Bond Bank”) for a General Obligation Bond Loan totaling \$3,000,000. The loan will be used for construction of a community center. The following is our overview of the security provisions associated with the loan.

The Project

The loan proceeds will be used for construction of a community center. The facility will be a 33,929 square foot, fully ADA accessible multi-use facility. The facility will combine several functions including administrative offices, museum, library, performing arts theatre/auditorium, meeting rooms, education areas and associated work space. The Cordova Center’s mission is to provide an efficiency of service to the community while expanding and diversifying the economic and cultural foundation.

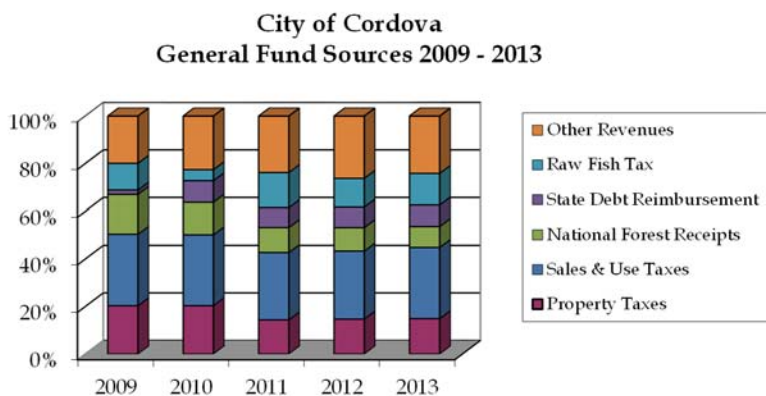
The project costs are estimated to be approximately \$31 million, with federal, state and other local sources providing the majority of the funding. The sale of bonds was approved by the voters at a general obligation election on March 3, 2015 by a margin of 64.2% to 35.8%.



City Financial Position

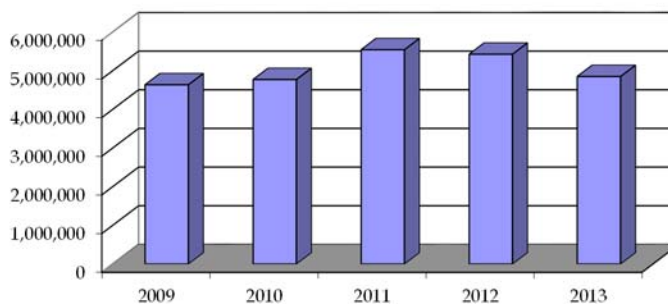
The graph on the right summarizes the distribution of the primary sources of general fund revenues during the 2009 through 2013. As the graph demonstrates, the City benefits from a diverse mix of General Fund revenues, which enhances the security of its general obligation pledge.

From 2009 through 2013, sales taxes accounted for 29.4% of General Fund revenues, followed by Other Revenues (23.4%) and property taxes (16.8%). The growth in Other Revenues in recent years is largely a result of an increase in various state funds received by the City. These include revenue sharing, PERS relief and public safety grants. Cooperative tax refunds from the state have also increased in the past 4 years by 50% to approximately \$150 thousand in 2013.



During the period from 2009 through 2013, the City's General Fund year-end balance has ranged between \$4.6 million in the fiscal year ending 2009 to \$5.5 million in the fiscal year ending 2011. These fund balances represent percentages of General Fund expenditures that range from a low of 42.7% to a high of 52.9%. These are considered high General Fund balance levels. In addition, the City maintains a General Reserve

**City of Cordova
Ending Fund Balance 2009 - 2013**



Special Revenue Fund which closed fiscal year 2013 with a balance of \$10.67 million. The fund is available for emergencies and unforeseen financial needs. City staff report that 2014 year end balances for both the General Fund and General Reserve Special Revenue Fund will increase slightly over their 2013 year end levels.

Security Pledge and Proposed Repayment Structure

The voters approved the financing for the planned street improvements through a general obligation bond election held on March 3, 2015 that passed at the polls by a margin of 64.2% to 35.8%. The primary source of security for the loan is the City's property tax.

With the sale of this issue, the City will have approximately \$19 million of debt outstanding under the Bond Bank's 2005 Resolution. That total includes amounts associated with the community center loan funded with proceeds of the 2015 Two Bonds.

State Aid Intercept

The Bond Bank has the authority to intercept state revenues that would otherwise flow to an underlying borrower in the event that a borrower failed to make timely payment on a Bond Bank loan. The Bond Bank has never had to utilize this credit feature. The state aid intercept is, however, a significant credit strength. The table below presents the City's revenues subject to intercept compared to maximum annual debt service, including the 2015 loan and the City's other debt held by the Bond Bank.

Shared Taxes and Fees	\$1,517,031
Dept. of Transportation Reimbursement	\$350,120
Reimbursement and Other Education Funding	\$966,117
Education Support Funding	\$3,795,643
Matching Grants	\$11,792,912
Community Jails	\$240,080
PILT Transfers	\$393,230
Revenue Sharing	\$204,262
Total Revenue Subject to Intercept	\$19,259,395
Fiscal Year 2015 Debt Service (includes 2015 Loan DS)	\$1,837,061
Debt Service Coverage	10.48

Future Capital Plans

The City reports that while it is undertaking several capital projects, none are expected at this point to require the issuance of bonds.

Estimated Borrower Savings

Savings to the City as a result of borrowing through the Bond Bank are estimated at approximately \$471 thousand or \$339 thousand on a present value basis. Savings are a result of lower interest rates and lower costs of issuance that the City will face as a result of issuing through the Bond Bank rather than on its own.

Statement of No Litigation

Accompanying the application from the City is a letter from Thomas F. Klinkner, acting as the City's general counsel, stating that "no litigation is pending (or, to our knowledge threatened) against the City in any court in any way ... affecting the corporate existence of the City ... [or] seeking to restrain or enjoin the issuance, sale, or delivery the bonds, or the right of the City to levy or collect taxes pledged or to be pledged to pay principal and interest on the bonds; ... or... against the City involving the property or assets ... which, whether individually or in the aggregate involves the possibility of any judgment or uninsured liability which may result in any material change in ... the condition, financial or otherwise, of the City. "

Summary

Based on our assessment, the general obligation security offered by the City, as set forth in the City's loan application and supplemental materials, provides sufficient security to justify approval of the application. The City's General Fund strength is reflected in very healthy fund balances, the General Reserve Special Revenue Fund is a cushion against unforeseen financial challenges and state-shared revenues provide substantial coverage of the City's debt service obligations to the Bond Bank.

For these reasons, we recommend approval of this loan application, conditioned upon receipt of the City's no litigation letter. If you have any questions related to the preceding report, please do not hesitate to call me at (503) 719-6113.

For Western Financial Group, LLC

A handwritten signature in black ink, appearing to read "Chip Pierce", with a stylized flourish at the end.

Chip Pierce

Cordova Economic and Demographic Information

Cordova is located at the southeastern end of Prince William Sound in the Gulf of Alaska. The community was built on Orca Inlet, at the base of Eyak Mountain. It lies 52 air miles southeast of Valdez and 150 miles southeast of Anchorage. The area encompasses 61.4 square miles of land and 14.3 square miles of water.

The area has historically been home to the Alutiiq, with the addition of migrating Athabaskan and Tlingit natives who called themselves Eyaks. Alaskan Natives of other descents also settled in Cordova. Orca Inlet was originally named "Puerto Cordova" by Don Salvador Fidalgo in 1790. One of the first producing oil fields in Alaska was discovered at Katalla, 47 miles southeast of Cordova, in 1902. The town of Cordova was named in 1906 by Michael Heney, builder of the Copper River and Northwestern Railroad, and the City was formed in 1909. Cordova became the railroad terminus and ocean shipping port for copper ore from the Kennecott Mine up the Copper River. The Bonanza-Kennecott Mines operated until 1938 and yielded over \$200 million in copper, silver and gold. The Katalla oil field produced until 1933, when it was destroyed by fire. Fishing became the economic base in the early 1940s.

The population of the community consists of 15% Alaska Native or part Native. Cordova has a significant Eyak Athabaskan population with an active Village Council. Commercial fishing and subsistence are central to the community's culture. During the 2000 U.S. Census, total housing units numbered 1,099, and vacant housing units numbered 141. Vacant housing units used only seasonally numbered 68. U.S. Census data for Year 2000 showed 1,221 residents as employed. The unemployment rate at that time was 6.86 percent, although 33.75 percent of all adults were not in the work force. The median household income was \$50,114, per capita income was \$25,256, and 7.52 percent of residents were living below the poverty level.

Cordova utilizes water from Murcheson Falls, Heney Creek dam, Meals Reservoir, the Orca Reservoir, and Eyak Lake. The water is treated, but only the Eyak water is filtered. Water storage capacity is 2.1 million gallons. The City operates a piped water and sewer system. Sewage is treated before discharge. Over 90% of homes are fully plumbed. Some homes use individual wells and septic systems. The City wants to design a new wastewater treatment plant. A new Class 2 landfill and sludge disposal is available at Mile 17. The community participates in recycling and a household hazardous waste program. Cordova Electric Cooperative operates two diesel-powered plants, at Eyak and Orca, and the Humpback Creek Hydro Facility. Electricity is provided by Cordova Electric Cooperative, Inc. There are 2 schools located in the community, attended by 457 students. The local hospital is a qualified Acute Care and Long Term Care facility. Cordova is classified as a large town/Regional Center, it is found in EMS Region 2F in the Prince William Sound Region. Emergency Services have limited highway, marine, airport and floatplane access. Emergency service is provided by 911 Telephone Service and volunteers.

Cordova supports a large fishing fleet for Prince William Sound and several fish processing plants. 341 residents hold commercial fishing permits, and nearly half of all households have someone working in commercial harvesting or processing. Copper River red salmon, pink salmon, herring, halibut, bottom fish and other fisheries are harvested. Reduced salmon prices have affected the economy. The largest employers are Trident Seafoods, Cordova School District, Cordova Hospital, the City, and the Department of Transportation. The U.S. Forest Service and the U.S. Coast Guard maintain personnel in Cordova.

Cordova is accessed by plane or boat. It is linked directly to the North Pacific Ocean shipping lanes through the Gulf of Alaska. It receives year-round barge services and State Ferry service. The Merle K. "Mudhole" Smith Airport at mile 13 is State-owned and operated, with a 7,499' long by 150' wide asphalt runway and 1,875' long by 30' wide gravel crosswind runway. The State-owned and City-operated Cordova Municipal Airport has a 1,800' long by 60' wide gravel runway. Daily scheduled jet flights and air taxis are available. Float planes land at the Lake Eyak seaplane base or the boat harbor. Harbor facilities include a breakwater, dock, a small boat harbor with 850 berths, boat launch, boat haul-out, a ferry terminal, and marine repair services. A 48-mile gravel road provides access to the Copper River Delta to the east. Plans for a highway up the Copper River to connect with the statewide road system have been controversial.



Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information				
A. Name of Governmental Unit (Applicant):				
City of Cordova				
B. Type of government (home rule, first class, authority, etc.):				
Home Rule City				
C. Contact Person for the government:				
Name:		Title:		
Randy Robertson		City Manager		
Address:		City:		State: Zip:
PO Box 1210		Cordova		AK 99574
Phone:		Fax:		E-mail:
907-424-6200		907-424-6000		citymanager@cityofcordova.net
D. Applicant's Bond Counsel:				
Name:		Title:		
Tom E Klinkner/BHB & C		Shareholder/Bond Counsel		
Address:		City:		State: Zip:
1127 West 7th Avenue		Anchorage		AK 99574
Phone:		Fax:		E-mail:
907-276-1550		907-276-3680		tklinkner@bhb.com
E. Applicant's Financial Advisor or Underwriter (if applicable):				
Name:		Title:		
TBD				
Address:		City:		State: Zip:
Phone:		Fax:		E-mail:

II. Issue Information

A. Total amount of bond purchase request:

\$3 million

B. Total term of requested loan: 20 years

C. Preferred principal and interest payment months: principal interest l/interest only Annual Payments

D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition. q A

If a bond election has been held, provide the votes for and against the issue(s):

Yes: No: out of registered voters casting b

Bond election to be held on 03-04-2015

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of

E. Will you need interim financing? No

1. If applicable, provide interim financing information:

Amount: Maturity: Rate: Lender:

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing.

F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

1. Are engineering and specifications completed? Yes

2. If not, when are they projected for completion?

3. Have construction bids been awarded? Yes

4. Are there additional state or local approvals required? Yes

5. Describe timing/scheduling plan:

To complete construction of a 33,929 sq ft, \$25MM+ multi use community center

located in Cordova, Alaska

6. What is the projected completion date? Fall 2015

G. Sources of uses of funds

Sources of Funds		Uses of Funds	
Bonds (this application)	\$3 million	Construction	\$ 3 million
Federal Funds*	\$	Engineering	\$
State Funds*	\$	Contingency	\$
Applicant's Funds	\$	Cost of Issuance	\$
Other (specify)	\$	Other	\$
Total:	\$3 million	Total:	\$3 million

*If federal or state funds are involved, provide a complete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:

All costs of issuance

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. **Attached**

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? **Yes** No

If yes, provide amount of financed, purpose and principal amount outstanding. **see attached**

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? **Yes** No

If yes, please attach details. qAttached

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? Yes **No**

If yes, please attach an explanation. qAttached

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? Yes **No**

If yes, please attach an explanation. qAttached

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. Attached. N/A

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy.

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.) qAttached

Are any of the community's major employers expected to make changes in work force or operations? Yes **No**

If yes, provide an explanations. qAttached

J. Please provide population figures for your community for the last five years. Indicate the source of your figures.

Year	Population	Source
2013	2302	
2012	2314	
2011	2292	
2010	2239	

Alaska Department of Labor & Workforce
development analysis section & US
Census

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. **Attached**

M. Provide your audited financial statements from the last two years (provide your unaudited statement if audit hasn't been preformed). **Attached**

N. Provide your current year's budget. **Attached**

O. Provide your capital improvement plan. qAttached

P. Provide any other financial or economic information that will assist evaluation of your application.
qAttached

IV. Legal Information

- A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened
1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or
 2. against your government or involving any of the property or assets of or under the control of your government, which , whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.
- B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.
- C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Jon K. Starck
Name (print)
FINANCE DIRECTOR
Title
Jon K. Starck
Signature
FEBRUARY 20, 2015
Date of Application

Please return all applications to:
Deven Mitchell
Alaska Municipal Bond Bank Authority
Department of Revenue
PO Box 110405
Juneau, AK 99811-0405
(907)465-2388 phone
(907)465-2389 fax
deven_mitchell@revenue.state.ak.us

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	Municipality of Skagway
Loan Amount:	\$12,000,000
Project Type:	public safety building
Project Description:	The Municipality will use the Bond Bank loan to construct a new public safety building on municipal property to house the Skagway fire and police departments, public safety dispatch, ambulance and animal care services as well as an emergency operations center.
Term of Loan:	30 years
Revenues Pledged to Loan:	property taxes
Most Recent FY Pledged Revenues:	\$1.73 million
Estimated Annual Debt Service:	\$675 thousand
Total Bond Bank Fiscal Year 2015 Debt Service:	\$494 thousand
Most Recent FY Debt Service Coverage Ratio:	N/A
Most Recent FY State-Shared Revenues (SSR):	\$17.6 million
Debt Service Coverage of AMBB DS from SSR:	35.63x
Loan Subject to State Debt Service Reimbursement:	no
Estimated Borrower Savings (Gross):	\$1.585 million
Estimated Borrower Savings (Present Value):	\$974 thousand
No Litigation Letter Received:	yes

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	Municipality of Skagway
Loan Amount:	\$5,000,000
Project Type:	port capital improvements
Project Description:	The Municipality will use the Bond Bank loan to make major improvements to the City's port. The Bond Bank loan proceeds will applied to the construction of a docking facility to enable increased industrial and tourist capacity.
Term of Loan:	20 years
Revenues Pledged to Loan:	property taxes
Most Recent FY Pledged Revenues:	\$1.73 million
Estimated Annual Debt Service:	\$365 thousand
Total Bond Bank Fiscal Year 2015 Debt Service:	\$494 thousand
Most Recent FY Debt Service Coverage Ratio:	N/A
Most Recent FY State-Shared Revenues (SSR):	\$17.6 million
Debt Service Coverage of AMBB DS from SSR:	35.63x
Loan Subject to State Debt Service Reimbursement:	no
Estimated Borrower Savings (Gross):	\$682 thousand
Estimated Borrower Savings (Present Value):	\$465 thousand
No Litigation Letter Received:	yes

Loan Application Evaluation

Municipality of Skagway

Introduction

The Municipality of Skagway (the “Municipality”) has submitted applications to the Alaska Municipal Bond Bank (the “Bond Bank”) for two General Obligation Bond Loans. One loan will be used to construct a new public safety building. The other loan to make capital improvements to the Port of Skagway. The following is our overview of these applications and the security provisions of the loans.

The Projects

The Municipality’s existing public safety facilities are too small to accommodate emergency service demands, particularly during the summer when the Municipality’s population swells with tourists. This project will also allow the fire and police departments to occupy one facility rather than being located in separate facilities.

The port project will enable increased industrial and tourist capacity, including sediment containment structures, industrial and passenger platforms, mooring and ship loading structures.

The public safety building project was approved by voters at the October 7, 2014 election by a margin of 51.8% to 48.2%. The port project was approved by voters at the May 10, 2011 election by a margin of 67.8% to 32.2%.

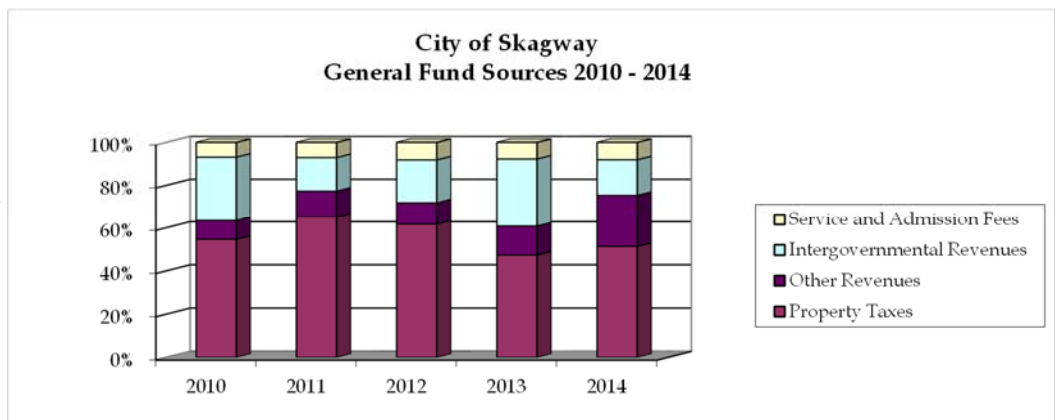


Municipality Financial Position

The Municipality’s General Fund derives its revenues primarily from property taxes (51.4% in fiscal year 2014) and intergovernmental revenues (16.6% in 2014).

The graph to the right presents the Municipality’s General Fund revenue distribution over the past five fiscal years. The

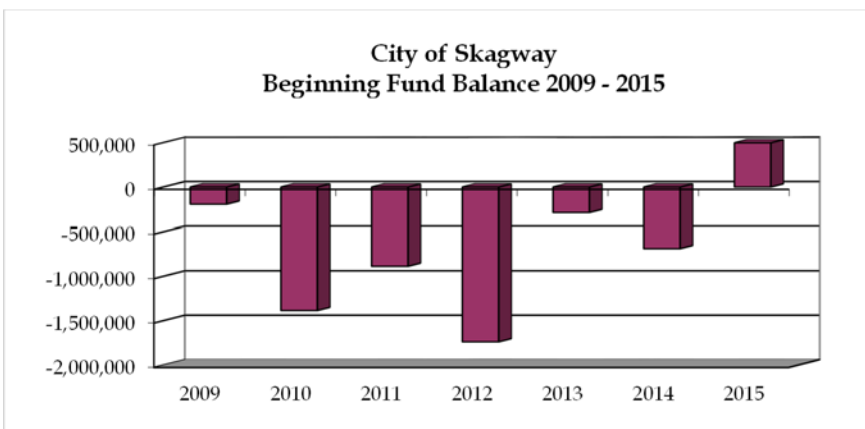
graph shows that property taxes have consistently been the primary source of General Fund revenue, accounting for 55.7% of total General Fund resources over the past five years. Intergovernmental revenues have accounted for 23.0% of General Fund revenues during that time, and Service and Admissions fees, which are comprised of admissions to the Municipality’s museum and other tourist based revenues, as well as various service charges and fines, has comprised 7.6% of revenues over that period.



Property taxes declined approximately 16.2% from fiscal year 2012 to fiscal year 2013 as a result of a property tax reduction from 8 mils to 7 mils.

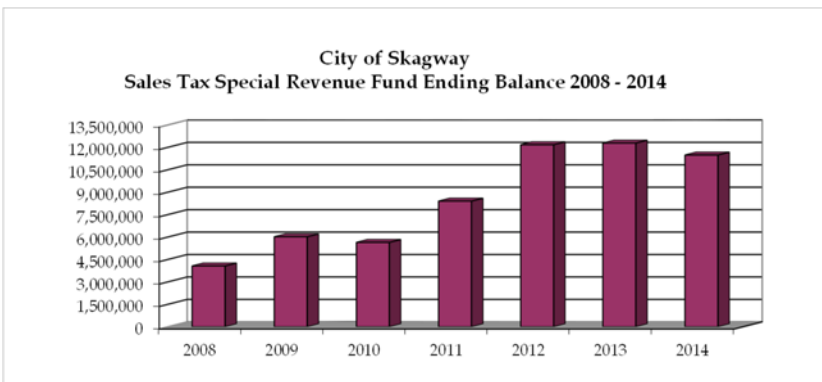
The Municipality's General Fund, as measured by its ending balance, is weaker than most communities that apply to the Bond Bank.

The General Fund has, for six of the past seven years, operated with a negative beginning fund balance, which has ranged from -\$193 thousand in 2009 to -\$1.74 million in 2012. For the first time in 7 years the General Fund held a positive ending balance in fiscal year 2014,



amounting to approximately \$500 thousand. Municipality staff have indicated that the relationship between the General Fund and Sales Tax Fund has remained stable and there are no immediate plans for adjusting the current situation in which General Fund operations are supported by the sales tax.

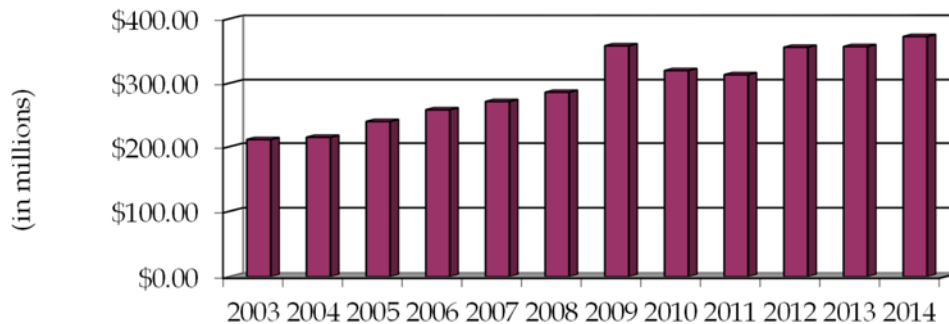
The Municipality's sales taxes do not flow to the General Fund, but are held in a separate Sales Tax Fund. This fund receives receipts from the Municipality's sales tax, which is levied at a 3% rate from October through March and at a 5% rate from April through September. Sales tax revenues are applied to payment of Municipality general obligation bonds, toward funding school operations, for capital improvements and for funding services that respond to visitor impacts, including emergency services, the health clinic and the museum. The Sales Tax Fund year end balance was \$11.5 million at the end of fiscal year 2014.



The Municipality's population has been stable over the past five years, with the number of Municipality residents ranging between 843 in 2007 to and 1,036 in 2014.

The full faith and credit and taxing ability of the Municipality is pledged to the Bond Bank loan. The taxable value of the Municipality is approximately \$372.6 million and has grown 16.5% over the past five fiscal years, rising from the post-recession level of \$313.3 million in 2011. The graph on the following page presents the assessed value in the Municipality since 2003.

City of Skagway
Estimated Taxable Valuation 2003- 2014



Security and Repayment

The Municipality will pledge its general obligation secured by property taxes levied in the Municipality to the Bond Bank for these loans. The public safety building project was approved by voters at the October 7, 2014 election by a margin of 51.8% to 48.2%. The port project was approved by voters at the May 10, 2011 election by a margin of 67.8% to 32.2%.

While the unlimited property tax pledge applies to the loans, the Municipality anticipates using port fund revenues and sales tax revenues to pay debt service on the port loan and sales tax revenues to pay debt service on the public safety building loan. The Municipality also maintains a Permanent Trust Fund valued at approximately \$3.87 million which is available for the payment of general obligation bonds in the event other revenues are insufficient.

Future Capital Plans

In the May 10, 2011 election at which voters approved the port project, three other general obligation propositions were approved. These included a \$1.0 million small boat harbor project, a \$2.5 million Main Street improvement project and a \$500 thousand library improvement project. The Library project was financed by the Bond Bank in 2011. The small boat harbor project was financed by the Bond Bank in 2013. The Main Street project is expected to be financed in within the next two years.

Estimated Borrower Savings

Savings to the Municipality as a result of borrowing through the Bond Bank are estimated at approximately \$1.59 million or \$974 thousand on a present value basis for the public safety building project and approximately \$682 thousand or \$465 thousand on a present value basis for the port project. Savings are a result of lower costs of issuance than that the Municipality will face as a result of issuing through the Bond Bank, as well as lower yields associated with Bond Bank bonds.

State-Aid Intercept

In addition to the general obligation pledge by the Municipality, the Bond Bank has the ability to intercept state-shared revenues that would otherwise flow to the Municipality. The

table below summarizes the revenues subject to intercept, along with the maximum annual debt service on the Municipality's bonds.

Shared Taxes and Fees	\$3,485,620
Dept. of Transportation Reimbursement	\$0
Reimbursement and Other Education Funding	\$0
Education Support Funding	\$789,803
Matching Grants	\$12,891,013
Community Jails	\$0
PILT Transfers	\$0
Revenue Sharing	\$430,183
Total Revenue Subject to Intercept	\$17,596,619
Fiscal Year 2015 Debt Service (includes 2015 Loan DS)	\$1,528,810
Debt Service Coverage	11.51

Statement of No Litigation

Accompanying the applications from the Municipality is a letter from Robert P. Blasco, acting as the Municipality Attorney, stating that "there is no litigation pending or threatened in any court in any way ... affecting the corporate existence of the Municipality ... or seeking to restrain or enjoin the issuance, sale, or delivery the bonds, or the right of the applicant to levy or collect taxes pledged or to be pledged to pay principal and interest on the bonds; ... or... against the Municipality involving the property or assets ... which, whether individually or in the aggregate involves the possibility of any judgment or uninsured liability which may result in any material change in ... the condition, financial or otherwise, of the Municipality. "

Summary

Based on our assessment, the security offered by Municipality, as set forth in the Municipality's loan applications and supplemental materials, provides sufficient security to justify approval of the applications. While the past General Fund negative balances are of concern, the Municipality does have revenue diversity provided by property taxes and the ongoing transfer of sales tax revenues to the General Fund. In addition, the Municipality's Permanent Trust Fund would be available in the event that sales tax revenues and/or property taxes were not sufficient to make loan payments. Lastly, the interceptable revenues available to the Bond Bank in the event of payment delinquency offers additional security.

For these reasons, we recommend approval of this loan application. If you or any of the Board members have any questions regarding our analysis, please feel free to call me at (503) 719-6113.

For Western Financial Group, LLC



Chip Pierce

APPENDIX

Municipality of Skagway Demographic Information

Skagway was incorporated on June 28, 1900, as the first first-class city in the Territory of Alaska. During the early 1900s Skagway was known as the "Gateway to the Klondike." On June 5, 2007, voters approved dissolution of the City of Skagway and incorporation of the first first-class borough in the State of Alaska. The State of Alaska certified this election and the Municipality of Skagway Borough was incorporated on June 25, 2007.

Skagway is located 90 miles northeast of Juneau at the northernmost end of Lynn Canal, at the head of Taiya Inlet. It lies 108 road miles south of Whitehorse, just west of the Canadian border at British Columbia. The area encompasses 452.4 square miles of land and 11.9 square miles of water. Skagway experiences a maritime climate with cool summers and mild winters. Average summer temperatures range from 45 to 67; winter temperatures average 18 to 37. Within the shadow of the mountains, Skagway receives less rain than is typical of Southeast Alaska, averaging 26 inches of precipitation per year, and 39 inches of snow.

A federally-recognized tribe is located in the community -- the Skaqua Traditional Council. The population of the community consists of 5.1% Alaska Native or part Native. Skagway is predominantly a tourist community, with historical Tlingit influences. Downtown buildings have been colorfully restored to reflect the history of the gold rush through the Chilkoot Pass. According to Census 2010, there were 590 housing units in the community and 410 were occupied. Its population was 3.7 percent American Indian or Alaska Native; 91 percent white; 0.5 percent Asian; 0.1 percent Pacific Islander; 4.2 percent of the local residents had multi-racial backgrounds. Additionally, 2.3 percent of the population was of Hispanic decent.

Water is derived from three wells near 15th and Alaska Streets, is stored in a tank and piped throughout Skagway. Piped sewage receives primary treatment with an ocean outfall. Demands of the system nearly double each summer, with the influx of tourism business operators. Almost all homes are fully plumbed. Some houses use individual wells and septic systems. The landfill is closed, however, the City operates an incinerator, baler, and ash fill facility. The community participates in recycling and annual hazardous waste disposal events. Alaska Power & Telephone Co., based in Skagway, provides power to Southeast and the Interior. It owns and operates diesel and hydro systems in Skagway, and diesel systems in Tok, Hydaburg and Craig. Electricity is provided by Alaska Power Company. There is one school located in the community, attended by 96 students. Local hospitals or health clinics include Dahl Memorial Clinic. The clinic is a qualified Emergency Care Center. Itinerant care is available from Juneau's Bartlett Regional Hospital. Skagway is classified as an isolated town/Sub-Regional Center, it is found in EMS Region 3A in the Southeast Region. Emergency Services have limited highway, marine, air, floatplane and helicopter access.

The tourist industry flourishes in Skagway, as a port of call for cruise ships and a transfer site for rail and interior bus tours. Approximately 1 million cruise ship passengers, RV traffic, and numerous State ferry travelers visit Skagway each year. The Klondike Gold Rush Historical Park and White Pass and Yukon Railroad are major attractions. An Economic Impact Study conducted by the City of Skagway in 1999 found that 51% of the owners of visitor-related businesses are not year-round residents. Trans-shipment of lead/zinc ore, fuel and freight occurs via the Port and Klondike Highway to and from Canada.

The Klondike Highway and Alaska Highway provide a connection through British Columbia and the Yukon Territory, Canada, to the lower 48 states or north to Interior Alaska. Skagway is accessed by air, road, water, and rail services. The State owns the 3,550' long by 75' wide paved runway and a seaplane base at the boat harbor, with scheduled air taxis. Skagway receives regular State ferry and barge services. A breakwater, ferry terminal, cruise ship dock, small boat harbor, boat launch, and boat haul-out are available. The White Pass and Yukon Route Company owns two deep draft docks for cargo loading and storage. Freight arrives by barge, ferry and truck.



Application for Bonds

A request for the Alaska Municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issue of the applicant. This isn't considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information			
A. Name of Governmental Unit (Applicant):			
MUNICIPALITY OF SKAGWAY			
B. Type of government (home rule, first class, authority, etc.):			
FIRST CLASS BOROUGH			
C. Contact Person for the government:			
Name:		Title:	
SCOTT A. HAHN		BOROUGH MANAGER	
Address:		City:	State: Zip:
PO BOX 415		SKAGWAY	AK 99840
Phone:	Fax:	E-mail:	
(907) 983-2297	(907) 983-2151	s.hahn@skagway.org	
D. Applicant's Bond Counsel:			
Name:		Title:	
K & L GATES LLP (contact: David Thompson)		MUNICIPAL BOND COUNSEL	
Address:		City:	State: Zip:
925 4th AVENUE		SEATTLE	WA 98104
Phone:	Fax:	E-mail:	
(800) 551-4613	(206) 370-6191	david.thompson@klgates.com	
E. Applicant's Financial Advisor or Underwriter (if applicable):			
Name:		Title:	
N/A			
Address:		City:	State: Zip:
Phone:	Fax:	E-mail:	

II. Issue Information

A. Total amount of bond purchase request:

\$ 5,000,000

B. Total term of requested loan: 20 years

C. Preferred principal and interest payment months: SEPT ^{principa} ^{interest} MARCH only

D. If a bond election is required, provide a copy of the bond election ordinance and ballot proposition.

☒ Attached

If a bond election has been held, provide the votes for and against the issue(s):

Yes:	No:	Percent of registered voters casting ballots:
143	66	23%

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? Provide details of the additional security. ☐ Attached

NO

E. Will you need interim financing?

1. If applicable, provide interim financing information:

Amount:	Maturity:	Rate:	Lender:
N/A			

2. Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing. ☐ Attached

F. Describe project to be financed, including the information requesting in 1-6. If this information is available in a project feasibility study, you may reference and attach it.

- Are engineering and specifications completed? ☐ Yes ☒ No
- If not, when are they projected for completion? August 30, 2015
- Have construction bids been awarded? ☐ Yes ☒ No
- Are there additional state or local approvals required? ☒ Yes ☐ No
- Describe timing/scheduling plan: CONSTRUCTION TO BEGIN FALL 2015/SPRING 2016

6. What is the projected completion date? SEPTEMBER 2016

G. Sources of uses of funds

Sources of Funds		Uses of Funds	
Bonds (this application)	\$ 5,000,000	Construction	\$ 23,220,000
Federal Funds*	\$	Engineering	\$ 615,000
State Funds*	\$ 11,500,000	Contingency	\$
Applicant's Funds	\$ 5,600,000	Cost of Issuance	\$
Other (specify)	\$ 2,000,000	Other	\$ 265,000
Total:	\$ 24,100,000	Total:	\$ 24,100,000

*If federal or state funds are involved, provide a complete description of the status and uses of these funds.

1. Indicate which costs, including costs of issuance, would be paid for with AMBBA bond proceeds:
AMBBA FUNDS WOULD BE USED TO PAY CONSTRUCTION COSTS

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. ☒ Attached

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund revenues? ☐ Yes ☒ No

If yes, provide amount of financed, purpose and principal amount outstanding. \$

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or state reimbursement for school construction projects? ☐ Yes ☒ No

If yes, please attach details. ☐ Attached

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? ☐ Yes ☒ No

If yes, please attach an explanation. ☐ Attached

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? ☐ Yes ☒ No

If yes, please attach an explanation. ☐ Attached

F. Provide information on the amount, timing, and purpose of any bonds you have authorized by the voters, but not yet issued. ☒ Attached. NONE

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy. ☒ Attached

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. (If this information is available in an annual report, provide a copy with your application.) ☒ Attached

I. Are any of the community's major employers expected to make changes in work force or operations?

☐ Yes ☒ No

If yes, provide an explanations. ☐ Attached

J. Please provide population figures for your community for the last five years. Indicate the source of your figures.

Year	Population	Source
2014	1031	AK Dept of Labor
2013	982	AK Dept of Labor
2012	960	AK Dept of Labor
2011	966	AK Dept of Labor
2010	968	US Census/AK Dept of Labor

L. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. ☒ Attached

M. Provide your audited financial statements from the last two years (provide your unaudited statement if audit hasn't been preformed). ☒ Attached

N. Provide your current year's budget. ☒ Attached

O. Provide your capital improvement plan. ☒ Attached

P. Provide any other financial or economic information that will assist evaluation of your application.
☐ Attached

IV. Legal Information

- A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threatened in
1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or
 2. against your government or involving any of the property or assets of or under the control of your government, which, whether individually or in the aggregate involves the possibility of any judgement or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, of your government.
- B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.
- C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

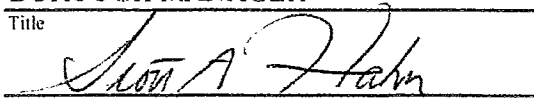
The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

SCOTT A. HAHN

Name (print)

BOROUGH MANAGER

Title



Signature

March 13, 2015

Date of Application

Please return all applications to:

Deven Mitchell

Alaska Municipal Bond Bank Authority

Department of Revenue

PO Box 110405

Juneau, AK 99811-0405

(907)465-2388 phone

(907)465-2389 fax

deven_mitchell@revenue.state.ak.us

MUNICIPALITY OF SKAGWAY
MUNICIPAL BOND BANK APPLICATION FOR BONDS
SUPPLEMENTAL INFORMATION

Section II – Issue Information

F. Describe project to be financed.

The project will construct a docking facility to enable increased industrial and tourist capacity at the Port of Skagway, including sediment containment structures, work and passenger platforms, mooring, and ship loading structures.

G. Sources of uses of funds

The Municipality will contribute a \$10 million State of Alaska grant (FY12), a \$1.5 million Designated Legislative grant, an additional \$5,600,000 cash financing and the \$5 million of this bond financing. An additional \$2,000,000 is sourced from port lease agreements to cover a total project cost of \$24,100,000. The Alaska State Legislature authorized an additional \$65 million to the Alaska Industrial Development and Export Authority for investment in tertiary ore handling, loading and docking facilities to be constructed relative to this port improvement project.

The two State of Alaska grants contributing to this project are as follows:

- \$10 million State of Alaska Department of Commerce, Community and Economic Development (DCCED) Grant No. 12-DC-617 is from the state's Designated Legislative Grant Program. A copy of the grant agreement is attached. This grant has been executed and is a source of funds for the City Dock Improvements (Gateway) Project design and construction.
- \$1.5 million State of Alaska Department of Commerce, Community and Economic Development (DCCED) Grant No. 14-DC-135 is from the state's Designated Legislative Grant Program. A copy of the grant agreement is attached. This grant has been executed and is a source of funds for the dredging and treatment of contaminated soil as a part of the Port of Skagway Gateway Project.

Section III – Credit Information

- G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy.**

Skagway currently has no plans for additional future general obligation or revenue bond financing.

- H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors.**

The Municipality of Skagway economy is created primarily as a tourist destination and goods and transportation port for Alaska and Canadian traffic.

Our economy is strong and all projections are that it will continue with the same volume of activity as has been in the past. The largest component of our tourism is from Cruise Ships. Projections of cruise ship visitor volume will be slightly higher than in 2014 with over 800,000 visitors. It was recently reported that the Klondike Gold Rush National Historic Park had the highest visitor rate of any national park in Alaska and that 2014 was a record high year of 1.1 million. Also noted was that of the State of Alaska's total 1.5 million visitors in 2014 more than two thirds of these visitors visited Skagway, Alaska.

Pressure from increase mineral exploration and development in the Yukon has increased use and intended traffic through our Gateway Port Infrastructure. Significant long term investments are currently being made to the Port of Skagway.

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	City and Borough of Juneau (the "CBJ")
Loan Amount:	Approximately \$3,400,000
Project Type:	Refunding of prior CBJ general obligation bonds
Project Description:	The CBJ will apply the proceeds of the Bond Bank loan to currently refund bonds issued by CBJ in 2005. The 2005 Bonds were part of a larger bond authorization approved by voters for design, site preparation and construction of Thunder Mountain High School. The bonds are being refunded to achieve debt service savings.
Term of Loan:	5 years
Revenues Pledged to Loan:	property taxes
Most Recent FY Pledged Revenues:	\$29.04 million
Estimated Maximum Annual Debt Service:	\$700 thousand
Total Bond Bank Fiscal Year 2015 Debt Service:	\$14.7 million
Most Recent FY Debt Service Coverage Ratio:	N/A
Most Recent FY State-Shared Revenues (SSR):	\$91.66 million
Debt Service Coverage of AMBB DS from SSR:	6.25x
Loan Subject to State Debt Service Reimbursement:	Yes
Estimated Borrower Savings (Gross):	\$244 thousand
Estimated Borrower Savings (Present Value):	\$228 thousand
No Litigation Letter Received:	Yes

Loan Application Evaluation

City and Borough of Juneau

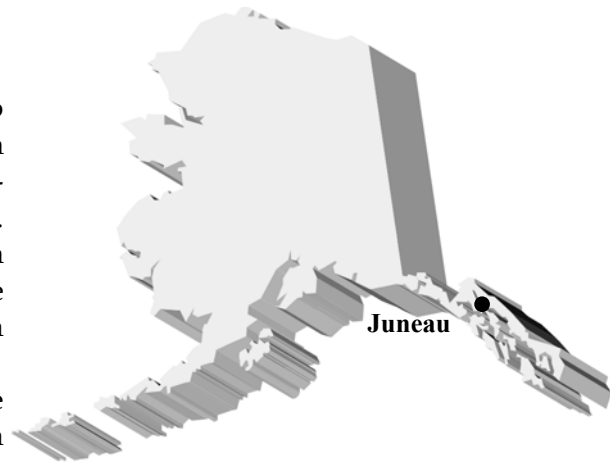
Introduction

The City and Borough of Juneau (the “CBJ”) has submitted an application to the Alaska Municipal Bond Bank (the “Bond Bank”) for a general obligation loan totaling approximately \$3,400,000. This loan will be used to currently refund bonds issued by CBJ in 2005 for school construction.

The Project

CBJ will use the Bond Bank’s loan to refund general obligation bonds issued in 2005 for design, site preparation and construction of Thunder Mountain High School. Those bonds became callable at par on March 1, 2015. The remaining maturities of those 2005 bonds bear interest rates ranging from 3.60% in 2016 to 4.00% in 2020.

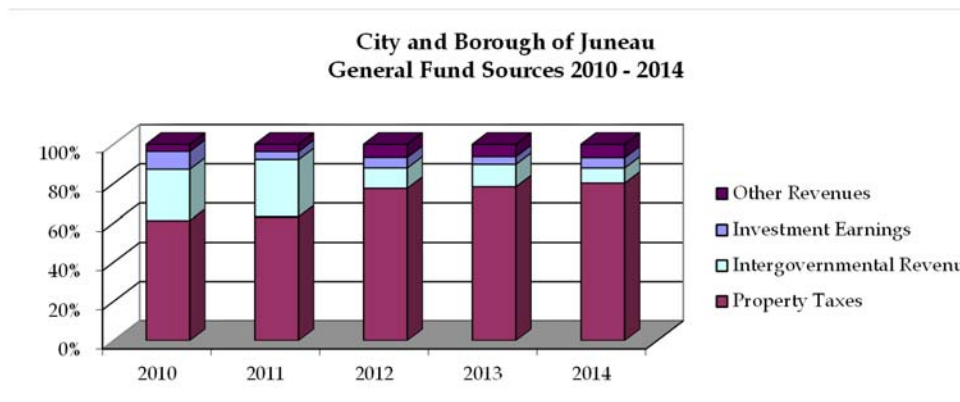
Voters authorized the sale of the bonds for the school project at an election held on October 5, 2004. The bond measure passed by a margin of 54.2% to 45.8%.



Juneau Financial Position

The General Fund derives its revenues primarily from ad valorem property taxes (80.2% in fiscal year 2014), intergovernmental revenues (7.7% in 2014) and investment earnings (5.3% in 2014). The five-year averages are 70.4% for property taxes, 17.7% for intergovernmental revenues and 5.8% for investment earnings. The relative increase in property taxes and decline in intergovernmental revenues as a percentage of total General Fund revenues over five year period reflects an accounting change in fiscal year 2012. CBJ now accounts for state debt service reimbursement amounts in the Debt Service Fund rather than in the General Fund. This results in an overall decline in General Fund revenues, thereby increasing property tax as a percentage of all General Fund revenues.

The graph below presents the Borough’s relatively stable General Fund revenue distribution over the past five years. Property taxes have consistently been the primary source of General Fund revenue.



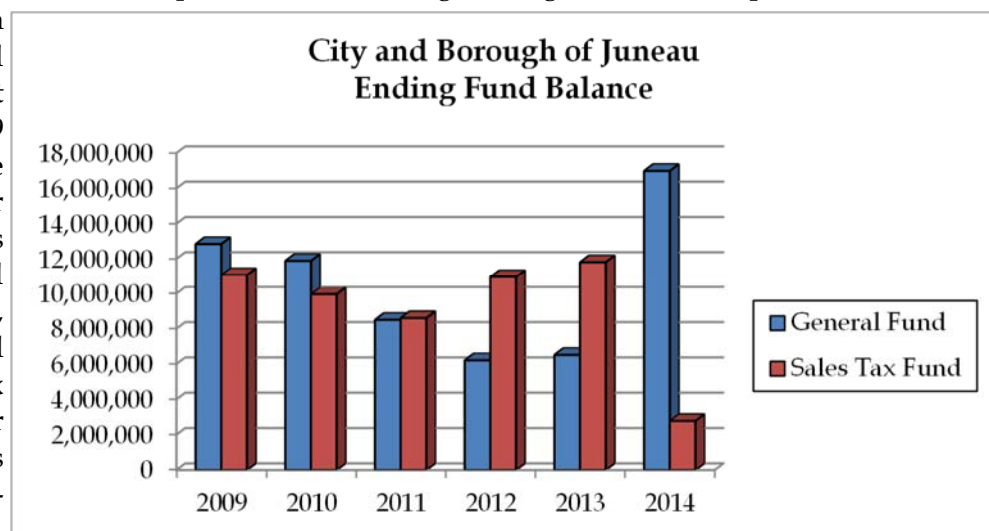
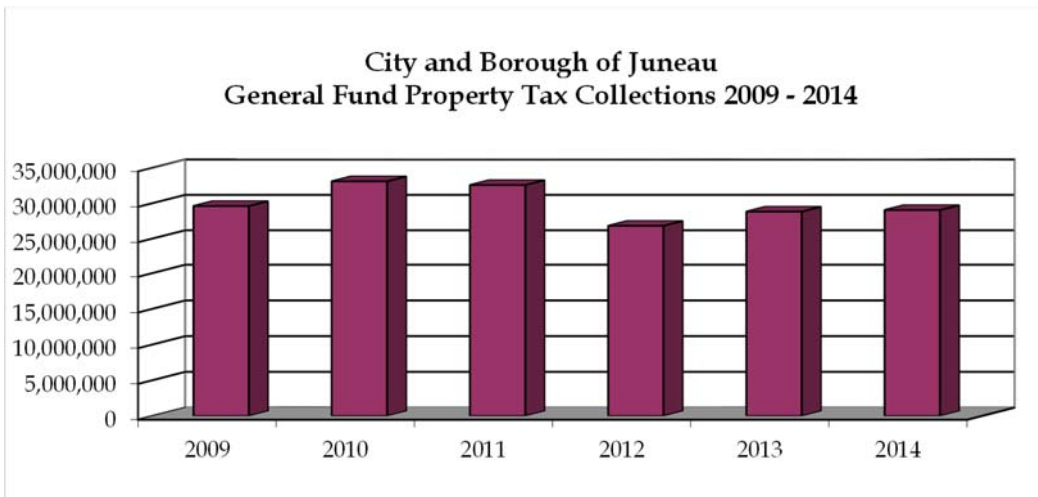
As the graph below shows, the primary source of General Fund revenues, ad valorem property taxes, are lower than their peak early in this decade. This trend has been offset by a decline in General Fund expenditures. The amount of property taxes allocated to the General Fund fell from approximately \$32.6 million in 2011 to \$26.8 million in 2012, a decrease of 17.7%. This is the result of a shift in property taxes from the General Fund to other property tax-dependent funds. Property tax collections grew approximately 8.32% from 2012 to 2014. The stable trend in property taxes reflects stable growth in the assessed value of property within the Borough, which grew 7.56% over the past two years.

During the period from fiscal year-end 2005 to the end of fiscal year 2009, the General Fund year end balance grew from \$5.2

million to \$12.8 million. Subsequently, the year end General Fund balance fell to \$6.16 million by the end of fiscal year 2012, a decline of 52% from 2009 levels. The General Fund ending balance in 2014 amounted to almost \$17 million. This is a substantial increase of the General Fund ending balance of 260% from fiscal year 2013 and reflects the transfer of the Sales Tax Budget Reserve and the Roadside Service Area Reserve to the General Fund.

CBJ continues to maintain a balance in the Sales Tax Fund that is funded from Sales Tax collections. As of the end of fiscal year 2014 that fund held \$2.8 million.

In 2011 the Mayor of CBJ formed a task force to review the CBJ's reserve policies. This task force was charged with identifying the appropriate size of and uses for the CBJ's unassigned General Fund balance and the Sales Tax rainy day fund. The Task Force recommended to the Assembly that reserves equal to 2 months of general governmental operation revenues be set aside each year. For fiscal year 2014 that amounts to \$16.9 million. As of the end of fiscal year 2014 the reserves available to fund the budget reserve, including General Fund, Sales Tax Fund and other available revenues totals \$20.1 million.



The graph above presents the year end balances for the General Fund and Sales Tax Fund from 2009 through 2014.

On October 2, 2012 CBJ voters approved a five year 1% sales tax to fund \$10 million of bond debt payments, \$5 million to replenish the general government budget reserves (as recommended by the Mayor's Task Force), and to fund various capital projects throughout the Borough. The tax will be in effect through September 30, 2018.

Future Capital Plans

CBJ has submitted an application to the Bond Bank for a loan totaling approximately \$36,000,000 for a project involving the installation of two new floating concrete docks for cruise ships. The project also includes related uplands work and improvements to portions of the water front Seawalk. The Bond Bank has financed approximately \$6 million of that loan request. Approximately \$22.9 million of the remainder of that application will be issued with the Bond Bank's 2015 Two bonds. CBJ staff believe that this amount may be sufficient to complete the project.

State Aid Intercept

The Bond Bank has the authority to intercept State revenues that would otherwise flow to an underlying borrower in the event that a borrower failed to make timely payment on a Bond Bank loan. The State aid intercept is a significant, if unutilized, credit strength. The table below presents the CBJ's revenues subject to intercept compared to fiscal year 2015 debt service on the proposed and outstanding loans from the Bond Bank.

Shared Taxes and Fees	\$4,662,940
Dept. of Transportation Reimbursement	\$0
Reimbursement and Other Education Funding	\$14,120,698
Education Support Funding	\$43,189,712
Matching Grants	\$27,646,880
Community Jails	\$0
PILT Transfers	\$0
Revenue Sharing	\$2,034,988
Total Revenue Subject to Intercept	\$91,655,218
Fiscal Year 2015 Debt Service (includes 2015 Loan DS)	\$17,012,966
Debt Service Coverage	5.39

As the table demonstrates, the CBJ has received ample State-interceptable revenue to cover the projected debt service on the Bond Bank loan.

Estimated Borrower Savings

Savings to the CBJ as a result of borrowing through the Bond Bank are estimated at approximately \$244 thousand or \$228 thousand on a present value basis. These savings reflect the estimated results of the refunding of the CBJ's 2005 general obligation bonds based on market conditions as of the end of March 2015. Actual savings will be determined at the time that the bonds are marketed, currently expected to occur in the middle of May 2015.

Statement of No Litigation

Accompanying the CBJ application is a letter from Amy G. Mead, City Attorney, stating that "I have no knowledge of any litigation pending or threatened in any court in any way: ... seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the CBJ to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the pledge thereof, or the loan agreement between the CBJ and Bond Bank, or contesting the power of the CBJ or its authority with respect to the bonds."

Summary

Based on our assessment, the security offered by the CBJ, as set forth in the CBJ's loan application and supplemental materials, provides sufficient security to justify approval of the application. The CBJ has a strong and diverse revenue base, an excellent history of property tax collections and growth, and high fund balances. In addition, the Bond Bank's ability to intercept Borough revenues adds significantly to the security of the loan.

I recommend approval of this loan for inclusion in the Bond Bank's next bond financing. If you have any questions related to the preceding report, please do not hesitate to call me at (503) 719-6113.

For Western Financial Group, LLC

A handwritten signature in dark ink, appearing to read "Chip Pierce", with a stylized flourish at the end.

Chip Pierce

Juneau Economic and Demographic Information

Located on the mainland of Southeast Alaska, opposite Douglas Island, Juneau was built at the heart of the Inside Passage along the Gastineau Channel. It lies 900 air miles northwest of Seattle and 577 air miles southeast of Anchorage. The area encompasses 2,716.7 square miles of land and 538.3 square miles of water. Juneau has a mild, maritime climate.

The area was a fish camp for the indigenous Tlingit Indians. In 1880, nearly 20 years before the gold rushes to the Klondike and Nome, Joe Juneau and Richard Harris were led to Gold Creek by Chief Kowee of the Auk Tribe. They found mother lode deposits upstream, staked their mining claims, and developed a 160 acre incorporated city they called Harrisburg. The City of Juneau was formed in 1900. The state capital was transferred from Sitka to Juneau in 1906 while Alaska was a U.S. Territory. In 1970, the City of Juneau and City of Douglas were unified into the City & Borough of Juneau ("CBJ").

CBJ's population at the end of 2013 was 32,064. Over the past 12 years CBJ population growth has averaged 0.6% a year. As the state capital, Juneau is supported largely by State and Federal employment, and by tourists cruising the Inside Passage. It is the fourth largest community in Alaska. About one-third of residents live downtown or on Douglas Island; the remaining two-thirds live elsewhere along the roaded area. Juneau has a Tlingit history with a strong historical influence from the early prospectors and boom town that grew around full-scale gold mining operations. According to the 2010 U.S. Census, there are 13,055 total housing units and 868 were vacant. The unemployment is estimated at 4.60% in August 2013, well below the national average. Median household income in 2011 was \$77,558, per capita income was \$48,596, and 6.5% of residents lived below the poverty level.

The municipal water supply is obtained from the Last Chance Basin well field on Gold Creek and the Salmon Creek Reservoir, and is treated and piped to over 90% of Juneau households. The CBJ is seeking funds to construct a million-gallon reservoir near South Lena Loop to serve the area north of Lena and Tee Harbor. The Borough's piped sewage system serves almost 80% of residents, and receives secondary treatment. North Douglas Island residents use individual septic tanks, and funds have been provided to begin planning a sewer main extension to this area. Refuse collection and the landfill are owned by a private firm, Arrow Refuse. Juneau has a hazardous waste collection facility, and local organizations also provide recycling programs. Electricity is provided by Alaska Electric Light & Power Company. AEL&P receives the majority of its power from the state-owned Snettisham Hydroelectric Facility south of town. In 2010 AEL&P brought on-line the Lake Dorothy hydroelectric plant adding 14.3 megawatts (20%) of additional power capacity. AEL&P owns the Annex Creek, Upper Salmon Creek and Lower Salmon Creek Hydro Plants, and the Gold Creek, Lemon Creek and Auke Bay Diesel back-up systems.

There are 14 schools located in the community, attended by approximately 4,900 students.

The State, City & Borough of Juneau, and federal agencies provide nearly 40% of the employment in the community. Juneau is home to State Legislators and their staff during the legislative session between January and April. Tourism is a significant contributor to the private sector economy during the summer months, providing a \$130 million income and nearly 2,000 jobs. The national recession resulted in a decline to approximately 865,000 passengers in 2010 from approximately 1,000,000 prior to the recession that began in 2008. CBJ reports that approximately 955,000 cruise passengers visited Juneau in 2014 and forecasts approximately

963,000 in 2015. The Mendenhall Glacier, Juneau Icefield air tours, Tracy Arm Fjord Glacier, State Museum, and Mount Roberts Tramway are local attractions.

Jobs in the health care industry account for 1,800 local jobs with an annual payroll of \$65 million. The seafood industry (commercial fishing, fish processing and hatchery production) constitutes another important sector of the economy. About 760 Juneau residents fish commercially, landing 22 million pounds of fish with a value of \$26 million. In 2011 there were eight shore based fish processing facilities in Juneau. DIPAC, a private non-profit organization, operates a fish hatchery which increases the local salmon population. The Hecla Green Creek Mine, Juneau's top private employer, produces gold, silver, lead and zinc, and is the largest silver mine in North America. In 2011 there were 363 permanent year round employees. Greens Creek produced 6.5 million ounces of silver (the second largest producer in North America). The mine has identified approximately 100 million ounces of silver reserves.

The Kensington underground gold mine and associated milling facilities are located within the Berners Bay Mining District on the east side of the Lynn Canal about 45 miles north-northwest of Juneau, Alaska. The project employs 250 people, about 60% of whom are from southeast Alaska. The Kensington mine commenced commercial production in July 2010. The mine is accessed by a horizontal tunnel and utilizes conventional and mechanized underground mining methods. Kensington resumed full production ahead of schedule in April 2012 following a temporary reduction in mining and milling activities to allow for the completion of several underground and surface improvement projects. Underground development continues to advance. Kensington's proven and probable reserves were 1.1 million contained ounces of gold at year-end 2012.

Juneau is accessible only by air and sea. Scheduled jet flights and air taxis are available at the Municipally-owned Juneau International Airport. The airport includes a paved 8,456 foot runway and a seaplane landing area. Marine facilities include a seaplane landing area at Juneau Harbor, two deep draft docks, five small boat harbors and a State ferry terminal. The Alaska Marine Highway System and cargo barges provide year-round services.

Alaska Municipal Bond Bank
Application Credit Review Summary Page

Applicant:	City and Borough of Juneau (the “CBJ”)
Loan Amount:	Initial Application - Not to exceed \$36,000,000 This loan – Not to exceed \$22,945,000
Project Type:	Cruise ship dock improvements.
Project Description:	The CBJ will apply the proceeds of the Bond Bank loan to fund improvements to offshore floating cruise ship dock facilities and to enhancements of the Juneau waterfront. This will likely be the final phase of Bond Bank financing for the Juneau cruise ship dock project.
Term of Loan:	19 years (through 2034) for this series
Revenues Pledged to Loan:	Port Development Fees
Most Recent FY Pledged Revenues:	\$2.86 million
Estimated Maximum Annual Debt Service (Total Project):	\$2.04 million
Total Bond Bank Fiscal Year 2015 Debt Service:	\$14.7 million
Most Recent FY Debt Service Coverage Ratio:	1.40x
Most Recent FY State-Shared Revenues (SSR):	\$91.66 million
Debt Service Coverage of AMBB DS from SSR:	6.25x
Loan Subject to State Debt Service Reimbursement:	No
Estimated Borrower Savings for 2015 Two Loan (Gross):	\$4.29 million
Estimated Borrower Savings for 2015 Two Loan (Present Value):	\$2.97 million
No Litigation Letter Received:	Yes

Loan Application Evaluation City and Borough of Juneau

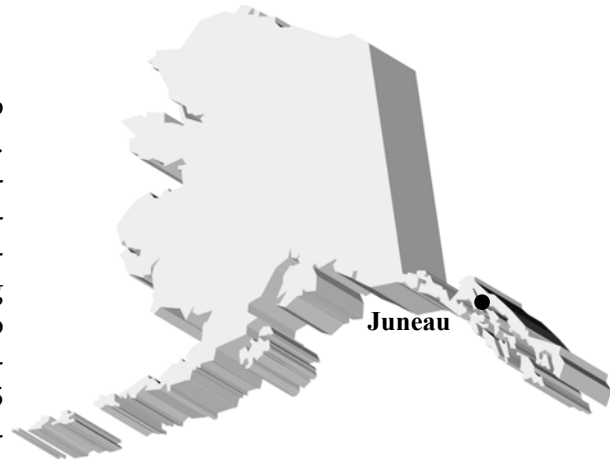
Introduction

The City and Borough of Juneau (the “CBJ”) has submitted an application to the Alaska Municipal Bond Bank (the “Bond Bank”) for a loan totaling approximately \$36,000,000. The loan will be used by the CBJ to finance improvements to Juneau’s cruise ship dock facilities.

The Projects

The project involves installing two new floating concrete docks for cruise ships. These docks will be seaward of Juneau’s existing docks. The project also includes related uplands work and improvements to portions of the water front Seawalk. The floating docks and uplands project are estimated to cost a total of \$75 million. The Seawalk project is estimated to cost approximately \$15 million. The Seawalk project is being developed in accordance with the CBJ Assembly Waterfront Development Plan that was adopted in 2004.

The Seawalk portion of project was initiated in October 2013 and has a number of phases. Project completion is expected in the fall of 2016.



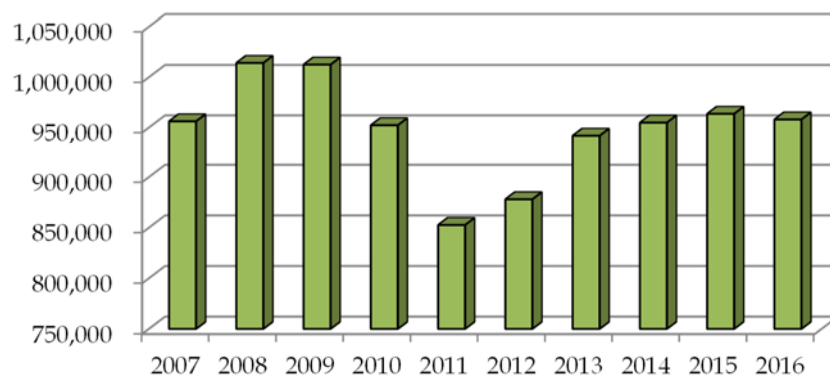
Juneau Cruise Ship Activity

The significance of the cruise industry to Juneau has increased significantly over the past 20 years. Juneau has become a major destination in the cruise industry and is on most itineraries of ships cruising the Inside Passage. Cruise passenger debarkations have grown from approximately 400 thousand in the early 1990’s to more than 1 million in 2008 and 2009. Passenger counts dropped following the recession that began in 2008, but have recently approached pre-recession levels of nearly 1 million passengers annually.

The projects to be completed at the Juneau cruise ship dock will accommodate the larger ships that are increasingly popular in the industry and help to keep Juneau competitive with other Alaska destinations, such as Skagway and Ketchikan.

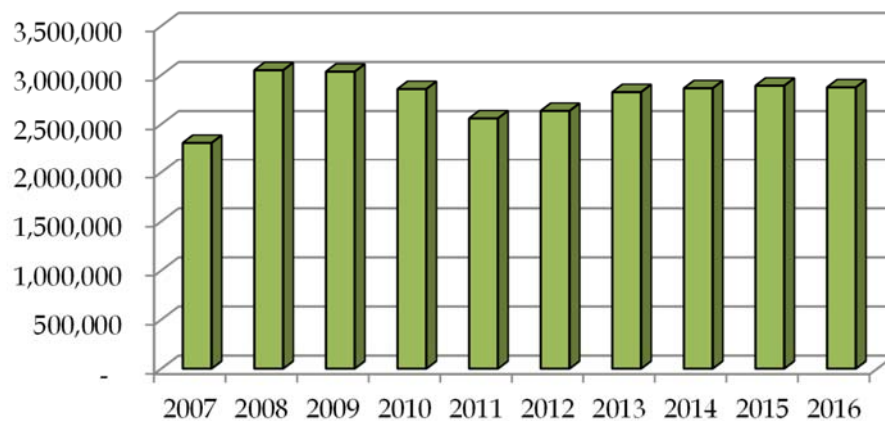
The graph to the right presents the number of cruise ship passengers that have visited Juneau over the past eight years, with an estimate for 2015 and forecast for fiscal year 2016.

**City and Borough of Juneau
Cruise Passenger Count (2007 - 2016 (Projected))**



Recognizing the impact that cruise ships have on the Juneau economy, CBJ instituted two cruise-based fees in order to maintain the capital facilities that make Juneau an attractive port-of-call, as well as to insure that cruise passengers and cruise companies bear some of the cost associated with the infrastructure developed to serve them. One of these, the \$3 per head Port Development Fee ("PDF"), has been dedicated to dock improvements. The PDF has been applied toward the project since 2012 and will be pledged to the repayment of the bonds issued under this application. In addition, the \$5 per passenger State Marine Passenger Fee has been applied on a pay-as-you-go basis toward the project, and will continue to be so through fiscal 2016, at which point it will be available for other dock-related purposes. The graph below presents PDF collections over the past eight years, including estimates for 2015 and 2016.

**City and Borough of Juneau
Port Development Fee (2007 - 2016 (Projected))**



As the graph demonstrates, the PDF revenues declined during the recession, but have nearly returned to pre-recession levels.

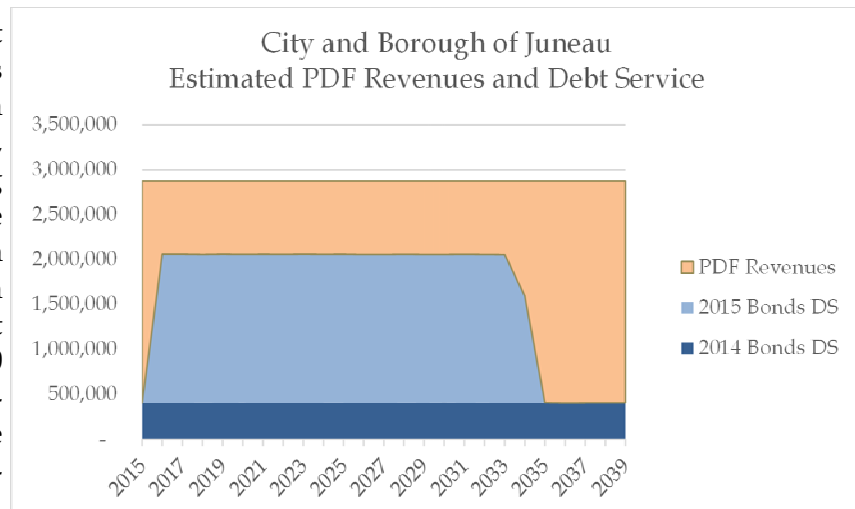
Security and Repayment

As indicated previously, the bonds will be secured by the PDF. This fee was initially enacted by the Assembly on July 1, 2002. The fee is \$3.00 per passenger based on the cruise ships' passenger manifests. In addition, the CBJ will fund a debt service reserve fund to the maximum allowed under federal tax law. The reserve will be held by the Bond Bank's trustee.

The additional bonds test in the CBJ revenue bond ordinance requires that, before additional parity bonds may be issued, CBJ must demonstrate that PDF revenues pledged to bonds issued on parity with the Bond Bank bonds are sufficient to cover existing and projected debt service by 1.20 times based on audited PDF collections. Alternatively, CBJ may issue additional parity bonds based on the report of an expert consultant that takes into account: 1) the historic PDF revenue for any 12 of the preceding 30 months; and 2) revenue to be derived from any additional fees and charges that have been established by the Assembly as new PDF revenues. The forecast test requires achieving a 1.35 times coverage ratio.

The 2015 bonds are the second series issued under the CBJ revenue bond ordinance which requires CBJ to establish, maintain and collect Port Development Fee revenues sufficient to cover debt service by 1.20 times. If CBJ fails to maintain revenues sufficient to meet the rate covenant, the bond resolution requires CBJ to retain an expert consultant to make recommendations on rate increases in order to meet the rate covenant.

Fiscal year 2014 Port Development Fee collections totaled \$2,864,578. Based on the additional bonds test, Juneau is limited to issuing debt that would produce debt service of no more than approximately \$2.39 million annually (resulting in debt service coverage of 1.20 times). Estimated debt service following the issuance of the 2015 Bonds is estimated at approximately \$2.04 million. As the graph above



demonstrates, the PDF revenues will provide sufficient revenues to cover existing and new debt service. Based on current rates, future coverage is estimated at approximately 1.40 times.

Future Capital Plans

On October 2, 2012 voters authorized the sale of \$25 million of general obligation bonds for various capital projects throughout Juneau. CBJ has issued \$16.05 million against this authorization through the Bond Bank to date. The balance of the bonds are expected to be used for airport terminal renovations and for improvements to the Public Works Department maintenance facilities.

State Aid Intercept

The Bond Bank has the authority to intercept State revenues that would otherwise flow to an underlying borrower in the event that a borrower failed to make timely payment on a Bond Bank loan. The State aid intercept is a significant, if unutilized, credit strength. The table below presents the CBJ's revenues subject to intercept compared to maximum annual debt service on the proposed and outstanding loans from the Bond Bank.

Shared Taxes and Fees	\$4,662,940
Dept. of Transportation Reimbursement	\$0
Reimbursement and Other Education Funding	\$14,120,698
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Revenue Sharing	\$2,034,988
Total Revenue Subject to Intercept	\$91,655,218
Fiscal Year 2015 Debt Service (includes 2015 Loan DS)	\$17,012,966
Debt Service Coverage	5.39

Summary

Based on our assessment, the security offered by the CBJ, as set forth in the CBJ's loan application and supplemental materials, provides sufficient security to justify approval of the application. The Port Development Fee is forecast to produce debt service coverage of approximately 1.40 times coverage of the CBJ Port bonds with this final installment of bonds for the cruise dock project. Furthermore, as one of the largest municipal governments in the State, the CBJ has significant revenues available for intercept by the Authority in the event that the revenues generated by the PDF fall below projections.

For these reasons, we recommend approval of this loan application. If you have any questions related to the preceding report, please do not hesitate to call me at (503) 719-6113.

For Western Financial Group, LLC

A handwritten signature in black ink, appearing to read "Chip Pierce", with a stylized flourish extending to the right.

Chip Pierce

Juneau Economic and Demographic Information

Located on the mainland of Southeast Alaska, opposite Douglas Island, Juneau was built at the heart of the Inside Passage along the Gastineau Channel. It lies 900 air miles northwest of Seattle and 577 air miles southeast of Anchorage. The area encompasses 2,716.7 square miles of land and 538.3 square miles of water. Juneau has a mild, maritime climate.

The area was a fish camp for the indigenous Tlingit Indians. In 1880, nearly 20 years before the gold rushes to the Klondike and Nome, Joe Juneau and Richard Harris were led to Gold Creek by Chief Kowee of the Auk Tribe. They found mother lode deposits upstream, staked their mining claims, and developed a 160 acre incorporated city they called Harrisburg. The City of Juneau was formed in 1900. The state capital was transferred from Sitka to Juneau in 1906 while Alaska was a U.S. Territory. In 1970, the City of Juneau and City of Douglas were unified into the City & Borough of Juneau ("CBJ").

CBJ's population at the end of 2013 was 32,064. Over the past 12 years CBJ population growth has averaged 0.6% a year. As the state capital, Juneau is supported largely by State and Federal employment, and by tourists cruising the Inside Passage. It is the fourth largest community in Alaska. About one-third of residents live downtown or on Douglas Island; the remaining two-thirds live elsewhere along the roaded area. Juneau has a Tlingit history with a strong historical influence from the early prospectors and boom town that grew around full-scale gold mining operations. According to the 2010 U.S. Census, there are 13,055 total housing units and 868 were vacant. The unemployment is estimated at 4.60% in August 2013, well below the national average. Median household income in 2011 was \$77,558, per capita income was \$48,596, and 6.5% of residents lived below the poverty level.

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963,000 in 2015. The Mendenhall Glacier, Juneau Icefield air tours, Tracy Arm Fjord Glacier, State Museum, and Mount Roberts Tramway are local attractions.

Jobs in the health care industry account for 1,800 local jobs with an annual payroll of \$65 million. The seafood industry (commercial fishing, fish processing and hatchery production) constitutes another important sector of the economy. About 760 Juneau residents fish commercially, landing 22 million pounds of fish with a value of \$26 million. In 2011 there were eight shore based fish processing facilities in Juneau. DIPAC, a private non-profit organization, operates a fish hatchery which increases the local salmon population. The Hecla Green Creek Mine, Juneau's top private employer, produces gold, silver, lead and zinc, and is the largest silver mine in North America. In 2011 there were 363 permanent year round employees. Greens Creek produced 6.5 million ounces of silver (the second largest producer in North America). The mine has identified approximately 100 million ounces of silver reserves.

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Juneau is accessible only by air and sea. Scheduled jet flights and air taxis are available at the Municipally-owned Juneau International Airport. The airport includes a paved 8,456 foot runway and a seaplane landing area. Marine facilities include a seaplane landing area at Juneau Harbor, two deep draft docks, five small boat harbors and a State ferry terminal. The Alaska Marine Highway System and cargo barges provide year-round services.



Application for Bonds

This is a request for the Alaska municipal Bond Bank Authority (the Bond Bank) to purchase a revenue or general obligation bond issues of the applicant. This is not considered a commitment on the part of the applicant or the Bond Bank. Additional information may be requested before a final recommendation.

I. General Information

A. Name of Governmental Unit (Applicant):
City and Borough of Juneau, Alaska

B. Type of Government (home rule, first class, authority, etc.):
Home rule

C. Contact Person for the Government

Name:		Title:	
Robert N. Bartholomew		Finance Director	
Address:		City:	State: Zip:
155 South Seward Street		Juneau	AK 99801
Phone:	Fax:	Email:	
907-586-0300	907-586-0358	Bob.Bartholomew@Juneau.org	

D. Applicant's Bond Counsel:

Name:		Title:	
Cynthia Weed, KL Preston Gates Ellis, LLP		Bond Counsel	
Address:		City:	State: Zip:
925 Fourth Avenue		Seattle	WA 98104
Phone:	Fax:	Email:	
206-623-7581	206-370-6191	cynthina@klgates.com	

E. Applicant's Financial Advisor or Underwriter (if applicable):

Name:		Title:	
Tom A. Yang		Managing Director US Infrastructure & Project Finance	
RBC Capital Markets		Underwriter	
Address:		City:	State: Zip:
345 California St. 28th Floor		San Francisco,	CA 94104
Phone:	Fax:	Email:	
415-445-8206	415-445-8679	tom.a.yang@rbccm.com	

II. Issue Information

A. Total amount of bond purchase request:
\$4,000,000

B. Total term of requested loan: 5 years

C. Preferred principal and interest payment months: X Principal/Interes X Interest Only
 Note: Prefer semi-annual payments, one interest only, and one P&I.

D. If a bond election is required, please provide a copy of the bond election ordinance and ballot proposition.
Required & Attached X Not Required

If a bond election has been held, provide the votes for and against the issue(s):

Yes	No	% of registered voters casting ballots

Does the municipality intend to pledge any specific assets or taxes in addition to property tax? If yes, provide details of the additional security:
Yes, details attached X No

E. Will you need interim financing?
Yes, details below X No

Amount:	Maturity:	Rate:	Lender:

Provide information that would impact the Bond Bank's ability to retire the interim financing with permanent financing
Yes, details attached N/A

F. Describe project to be financed, including the information requested in 1-6. If this information is available in a project feasibility study, you may reference and attach the study.

1. Are engineering and specifications completed?	N/A	<u>Yes</u>	<u>No</u>
2. If no, what is the projected specification completion date?	**	<u>Yes</u>	<u>No</u>
3. Have construction bids been awarded?	N/A	<u>Yes</u>	<u>X</u> No
4. Are there additional state or local approvals required? Describe.	be. N/A	<u>X</u> Yes	<u>No</u>

**Assembly ordinance scheduled for final approval March 16 effective April 16

5. Describe timing/schedule plan:

**AMBB 2015 Series Two Bond Issue.

6. Project completion date: **

G. Sources and Uses of Funds

Source of Fund		Uses of Funds	
Bonds (this application)	\$ 3,360,000.00	Construction	
Federal Funds*		Engineering	
State Funds*		Contingency	
Applicant's Funds		Cost of Issuance	
Other (specify)	Issuance \$ 30,000.00	Other Refunding	\$ 3,390,000.00
	\$ 3,390,000.00		\$ 3,390,000.00

*If State of Federal funds are involved, provide a complete description of the status and uses of these funds.
 Attach a sheet of paper indicating which costs, including costs of issuance, would be paid for with AMBBA bond proceeds.

III. Credit Information

A. Provide the loan agreements or copies of the cover page of official statements for your government's outstanding bonds. Page 58- <http://www.juneau.org/financeftp/cafr2014/cafr2014.php>

B. Has your municipality entered into lease purchase agreements or other financing agreements supported by General Fund Reserves? Yes - We have entered into several leases for copiers and police vehicle video systems. The amounts are immaterial.

C. Are any of the above referenced issues supported by special assessments on benefited property, revenues, user fees or State reimbursement for school construction projects? **Yes a significant portion of existing GO bonds qualify for 60% and 70% State reimbursement.**

D. Has your government ever failed to meet its debt service coverage requirements or other covenants on general obligation, revenue, or special assessment bonds? If yes, please attach an explanation. **Yes - At 6/30/11 CBJ was out of compliance with the 125% of Net Revenues Requirement for the AMBBA 2007 Series Three Issue. CBJ was back in compliance at 6/30/12. At 12/31/13 CBJ was out of compliance with the Net Revenues Requirement with Wildflower Court Conduit Debt. The Indenture requires a ratio of 1.15 and the actual ratio was 1.12. A plan was initiated to adjust financial activity to come into compliance.**

E. Has your government ever defaulted on any of its general obligation, revenue, or special assessment bonds? If yes, please attach an explanation. **No**

F. Provide information on the amount, timing, and purpose of any bonds authorized by the voters, but not yet issued. **See attached schedule.**

G. Attach your government's forecast on amount, timing, and purpose of future general obligation or revenue bond financing. If this information is available in your long-term plan, provide a copy. **No current plans for additional bonds sales other than items in answer question III F.**

H. Give a brief summary of your local economy. Include major industries and their projections. Describe any positive or negative trends or factors. If this information is available in an annual report, provide a copy.
<http://www.jedc.org/research-library-reports-studies-jedc>

I. Are any of the community's major employers expected to make changes in work force or operations? If yes, please attach an explanation. **Yes. Alaska State Government is currently working through a budget reduction process due to low oil prices. It is not anticipated that their actions will affect repayment of these bonds.**

J. Please provide population figures for your community for the last five years. Indicate the source of your figures

Year	Population	Source
2013	33,064	AK Dept. of Labor & Workforce Development
2012	32,838	AK Dept. of Labor & Workforce Development
2011	32,290	AK Dept. of Labor & Workforce Development
2010	31,275	AK Dept. of Labor & Workforce Development
2009	30,946	AK Dept. of Labor & Workforce Development

K. Provide assessed valuation and property tax collected for all taxable property within your corporate limits for the past five years. **Attached**

L. Provide your audit financial statements from the last two years, or unaudited statements if an audit has not been performed <http://www.juneau.org/financeftp/cafr2014/cafr2014.php>

M. Provide your current year's budget <http://www.juneau.org/financeftp/FY15AdoptedBudget.php>

N. Provide your capital improvement plan <http://www.juneau.org/engineering/CIP/FINAL/2015-2020.php>

O. Provide any other financial or economic information that will assist evaluation of your application

IV. Legal Information

A. Provide a certificate of your legal counsel that establishes there is no litigation pending or threat in any court in anyway.

1. affecting the corporate existence of your government, or the titles of officers to their respective offices, or seeking to restrain or enjoin the issuance, sale or delivery of the bonds, or the right of the applicant to levy and collect taxes pledged or to be pledged to pay the principal of and interest on the bonds, or the pledge thereof, or in any way contesting or affecting the validity or enforceability of the bonds or the loan agreement between the applicant and the Bond Bank, or contesting the power of your government or your authority with respect to the bonds; or

2. against your government of involving any of the property or assets of our under the control of your government, which, whether individually or in the aggregate involves the possibility of any judgment or uninsured liability which may result in any material change in the revenues properties, or assets, or in the condition, financial or otherwise, or your government.

B. An opinion or certificate to the same effect, dated the date of the closing, shall be delivered to the Bond Bank on the date of closing.

C. If any such litigation is pending or threatened, attach a description of the litigation, including caption and case number, description of the relief requested as it pertains to the matters described, and the procedural status of the litigation

The facts and representations in this application and all attachments are true and accurate in all respects and no material facts are omitted to the best of my knowledge

Robert. N. Bartholomew

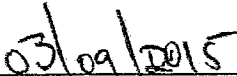
Name

Finance Director

Title



Signature



Date of Application

CBJ Bonds Authorized - Not Issued					
	Bond Issue	Total Authorization	Amount Issued as of 12/31/2014	Balance Unissued	Comments
1	GO - Gastineau School (vote Oct. 2009)	\$11,800,000	\$11,623,000	\$177,000	Sold bonds in May 2010 and 2011
2	Port Revenue Bonds (Ord. Sept. 2012)	29,000,000	6,055,000	22,945,000	Cruise Ship Dock Expansion. Issue balance April 2015.
3	GO CIP Bonds (Ord Dec. 2012)	25,000,000	16,050,000	8,950,000	Balance for JIA Terminal and Public Works Minc Facility.
		\$65,800,000	\$33,728,000	\$32,072,000	

CBJ Property Assessment Values and Collected Taxes

2009-2014

	2009	2010	2011	2012	2013	2014
Assessed Value	\$ 3,980,500,000	\$ 3,989,345,000	\$ 4,065,200,000	\$ 4,091,508,232	\$ 4,395,400,000	\$ 4,438,900,000
Mill Rate (Areawide)	10.37	10.60	10.51	10.55	10.66	10.76
Taxes collected	\$ 40,432,000	\$ 41,055,000	\$ 40,738,000	\$ 41,926,000	\$ 43,987,000	\$ 44,818,000

**ALASKA MUNICIPAL BOND BANK
RESOLUTION NO. 2015-03**

**A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF
GENERAL OBLIGATION AND REFUNDING BONDS, 2015 SERIES TWO,
OF THE ALASKA MUNICIPAL BOND BANK**

WHEREAS, the Board of Directors of the Alaska Municipal Bond Bank (the "Bank") by Resolution entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted July 13, 2005, as amended (the "Resolution"), has created and established an issue of Bonds of the Bank; and

WHEREAS, the Resolution authorizes the issuance of said Bonds in one or more series pursuant to a Series Resolution authorizing each such series; and

WHEREAS, the Board of Directors of the Bank has determined that it is necessary and required that the Bank issue at this time a Series of Bonds to be designated "Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2015 Series Two" (the "2015 Series Two Bonds") to provide moneys to carry out the purposes of the Bank;

BE IT RESOLVED BY THE BOARD OF DIRECTORS OF THE ALASKA MUNICIPAL BOND BANK AS FOLLOWS:

**ARTICLE I
AUTHORITY AND DEFINITIONS**

Section 101 - Series Resolution.

This Series Resolution (the "2015 Series Two Resolution") is adopted in accordance with the provisions of the Resolution and pursuant to the authority contained in the Act.

Section 102 - Definitions.

In this 2015 Series Two Resolution and with respect to the 2015 Series Two Bonds:

(1) Unless otherwise defined in Article I herein, all capitalized terms herein shall have the same meanings, respectively, as such terms are given in Article I of the Resolution.

(2) "Amendatory Loan Agreement" shall mean, collectively, the agreements:

(a) by and between the Bank and the City and Borough of Juneau, Alaska, amending certain terms of the loan agreement entered into by the parties and dated July 1, 2007;

(b) by and between the Bank and the Kenai Peninsula Borough, Alaska, amending certain terms of the loan agreement entered into by the parties and dated August 1, 2007;

(c) by and between the Bank and the City of Seward, Alaska, amending certain terms of the loan agreement entered into by the parties and dated April 1, 2008;

(d) by and between the Bank and the City of Seward, Alaska, amending certain terms of the loan agreement entered into by the parties and dated July 1, 2008; and

(e) by and between the Bank and the City of Skagway, Alaska, amending certain terms of the loan agreement entered into by the parties and dated July 1, 2008.

(3) "Bank" shall mean the Alaska Municipal Bond Bank.

(4) "Beneficial Owner" shall mean the person in whose name a 2015 Series Two Bond (and in the case of sub-series, each bond of such sub-series) is recorded as the beneficial owner of such 2015 Series Two Bond (and in the case of sub-series, each bond of such sub-series) by the respective systems of Depository Trust Company and the Depository Trust Company Participants or the registered owner of the 2015 Series Two Bond (and in the case of sub-series, each bond of such sub-series) if such 2015 Series Two Bond (and in the case of sub-series, each bond of such sub-series) is not then held in book-entry form under Section 206.

(5) "Bond Purchase Contract" shall mean the agreement by and between the Bank and Underwriter, providing for the purchase and sale of the 2015 Series Two Bonds (and in the case of sub-series, for each sub-series).

(6) "Bond Year" shall mean each one-year period that ends on an anniversary of the date of issue of the 2015 Series Two Bonds.

(7) "Chairman" shall mean the chairman of the Board of Directors of the Alaska Municipal Bond Bank Authority (also known as the Alaska Municipal Bond Bank).

(8) "Code" shall mean the Internal Revenue Code of 1986, as amended from time to time, together with all regulations applicable thereto.

(9) "Continuing Disclosure Certificate" shall mean the Continuing Disclosure Certificate executed by the Bank and dated the date of issuance and delivery of the 2015 Series Two Bonds, as originally executed and as it may be amended from time to time in accordance with the terms thereof.

(10) "Depository Trust Company" shall mean The Depository Trust Company, a limited purpose trust company organized under the laws of the State of New York, and its successors and assigns.

(11) "Depository Trust Company Participant" shall mean a trust company, bank, broker, dealer, clearing corporation and any other organization that is a participant of Depository Trust Company.

(12) "Escrow Agent" shall mean The Bank of New York Mellon Trust Company, N.A.

(13) "Escrow Agreement" shall mean the agreement entered into by and between the Bank and the Escrow Agent, dated the date of issuance of the 2015 Series Two Bonds, securing payment for the Refunded Bonds.

(14) "Excess Investment Earnings" shall mean the amount of investment earnings on gross proceeds of the 2015 Series Two Bonds determined by the Bank to be required to be rebated to the United States of America under the Code.

(15) "Financial Advisor" shall mean Western Financial Group, LLC.

(16) "Letter of Representations" shall mean the Blanket Issuer Letter of Representations dated May 2, 1995 from the Bank to Depository Trust Company, a copy of which is attached hereto as Exhibit A, and the operational arrangements referred to therein.

(17) "Loan Agreement" shall mean, collectively, the agreements (a) by and between the Bank and the City and Borough of Juneau, Alaska (Port Revenue); (b) by and between the Bank and the City and Borough of Juneau, Alaska (School Refunding); (c) by and between the Bank and the Municipality of Skagway, Alaska (Port Revenue); (d) by and between the Bank and the Municipality of Skagway, Alaska (Public Safety Facility); and (e) by and between the Bank and the City of Cordova, Alaska (Civic Center); each pertaining to the repayment of a Loan to the Governmental Unit as provided for herein.

(18) "Record Date" shall mean fifteen days preceding each interest payment date with respect to the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series).

(19) "Refunded Bonds" shall mean some or all of the maturities, or portions thereof, of the 2007 Series Three Bonds, the 2007 Series Four Bonds, the 2008 Series One Bonds, the 2008 Series Two Bonds, and the 2009 Series Two Bonds that the Executive Director designates to be refunded pursuant to Section 304 of this 2015 Series Two Resolution.

(20) "Underwriter" shall mean RBC Capital Markets, LLC (and in the case of sub-series, for each sub-series), together with any other financial institution authorized by the Bank.

(21) "2007 Series Three Bonds" shall mean the \$7,865,000 principal amount of the outstanding General Obligation Bonds, 2007 Series Three, maturing in the years 2022, 2027 and 2032.

(22) "2007 Series Four Bonds" shall mean the \$8,890,000 principal amount of the outstanding General Obligation Bonds, 2007 Series Four, maturing in the years 2018, 2019, 2022, 2024 and 2027.

(23) "2008 Series One Bonds" shall mean the \$25,470,000 principal amount of the outstanding General Obligation Bonds, 2008 Series One, maturing in the years 2016 through 2029 and 2033.

(24) "2008 Series Two Bonds" shall mean the \$9,125,000 principal amount of the outstanding General Obligation Bonds, 2008 Series Two, maturing in the years 2016 through 2026, 2028, 2030 and 2038.

(25) "2009 Series Two Bonds" shall mean the \$955,000 principal amount of the outstanding General Obligation Bonds, 2009 Series Two, maturing in the years 2024 and 2029.

(26) "2015 Series Two Bonds" shall mean the Bonds, issued in one or more sub-series, authorized by Article II hereof.

ARTICLE II AUTHORIZATION OF 2015 SERIES TWO BONDS

Section 201 - Principal Amount, Designation and Series.

Pursuant to the provisions of the Resolution, a series of Bonds designated as "Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2015 Series Two" is hereby authorized to be issued in the aggregate principal (par) amount of not to exceed One Hundred Four Million Five Hundred Thousand Dollars (\$104,500,000). The Executive Director is hereby authorized to change the designation to allow for sub-series of the 2015 Series Two Bonds, and to allow for the sale of the 2015 Series Two Bonds to be combined and sold with other Bonds authorized by a Series Resolution and approved by the Board of Directors of the Bank.

At the written direction of the Chairman or Executive Director, the Trustee shall designate a particular principal amount of the 2015 Series Two Bonds as a separate sub-series. Each sub-series of 2015 Series Two Bonds shall be identified by the year of issue, the sequential letter, and such further designation as deemed appropriate by the Executive Director (e.g., General Obligation Bonds, 2015A Series Two).

Section 202 - Purposes.

The purposes for which the 2015 Series Two Bonds are being issued are (i) making Loans to the Governmental Units to the extent and in the manner provided in Article III, (ii) the refunding of the maturities, or portions thereof, of the 2007 Series Three Bonds, the 2007 Series Four Bonds, the 2008 Series Two Bonds, and the 2009 Series Two Bonds that the Executive Director designates to be refunded pursuant to Section 304 of this 2015 Series Two Resolution, and (iii) making a deposit, if any, in the Reserve Fund as provided in Article III of this 2015 Series Two Resolution.

Section 203 - Date, Maturities and Interest Rates.

The 2015 Series Two Bonds (and in the case of sub-series, each sub-series) shall be dated the date the 2015 Series Two Bonds are delivered to the Underwriter subject to the terms and conditions set forth in this 2015 Series Two Resolution. Subject to adjustment as provided for in this Section 203, the 2015 Series Two Bonds shall mature, or have Sinking Fund Installments due, on the 1st day of March in each of the years, in the respective principal amounts, as set forth below:

<u>Maturity (March 1)</u>	<u>Principal Amount</u>	<u>Maturity (March 1)</u>	<u>Principal Amount</u>
2016	\$4,205,000	2031	\$5,205,000
2017	3,250,000	2032	5,465,000
2018	3,315,000	2033	5,730,000
2019	4,920,000	2034	3,070,000
2020	5,070,000	2035	1,405,000
2021	4,460,000	2036	840,000
2022	4,635,000	2037	885,000
2023	6,520,000	2038	930,000
2024	5,490,000	2039	550,000
2025	5,265,000	2040	580,000
2026	5,520,000	2041	610,000
2027	5,785,000	2042	635,000
2028	7,840,000	2043	670,000
2029	5,240,000	2044	705,000
2030	4,965,000	2045	740,000

Notwithstanding the foregoing, the principal amount of each maturity (and in the case of sub-series, of each sub-series), or the amount of each Sinking Fund Installment (and in the case of sub-series, of each sub-series), the maturity dates (and in the case of sub-series, of each sub-series), and the interest rates of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall be fixed and determined by the Chairman or the Executive Director at the time the 2015 Series Two Bonds are sold pursuant to Section 210 hereof but subject to the limitations set forth in Section 201 hereof.

Section 204 - Interest Payments.

The 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall bear interest from their dated date. The first interest payment date shall be September 1, 2015 (or such other date as may be fixed and determined by the Chairman or the Executive Director); thereafter, interest on the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall be payable on the 1st days of March and September (or such other months as may be fixed and determined by the Chairman or the Executive Director), computed on the basis of a 360-day year composed of twelve thirty-day months.

Section 205 - Denominations, Numbers and Other Designation.

The 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall be issued in registered form in the denomination of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of the 2015 Series Two Bonds

authorized herein. The 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall be numbered serially with any additional designation that the Bank deems appropriate.

Section 206 - Securities Depository.

(1) The 2015 Series Two Bonds shall be registered initially in the name of "Cede & Co.," as nominee of Depository Trust Company ("DTC"), and shall be issued initially in the form of a single bond for each maturity in the amount of such maturity. Registered ownership of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) or any portions thereof, may not thereafter be transferred except (i) to any successor of DTC or its nominee, provided that any such successor shall be qualified under any applicable laws to provide the service proposed to be provided by it; (ii) to any substitute depository or such substitute depository's successor; or (iii) to any person as provided in paragraph (4) below.

(2) Upon the resignation of DTC or its successor (or any substitute depository or its successor) from its functions as depository or a determination by the Bank that it is no longer in the best interest of Beneficial Owners to continue the system of book-entry transfers through DTC or its successors (or any substitute depository or its successor), the Bank may appoint a substitute depository. Any such substitute depository shall be qualified under any applicable laws to provide the services proposed to be provided by it.

(3) In the case of any transfer pursuant to clause (i) or (ii) of paragraph (1) above, the Trustee shall, upon receipt of all Outstanding 2015 Series Two Bonds, (and in the case of sub-series, of each sub-series), together with a written request of an Authorized Officer and a supply of new 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), authenticate a single new 2015 Series Two Bond (or in the case of sub-series, a single new 2015 Series Two Bond of each such series, of each sub-series) for each maturity of 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) then Outstanding, registered in the name of such successor or such substitute depository, or its nominee, as the case may be, all as specified in such written request.

(4) In the event that (i) DTC or its successor (or substitute depository or its successor) resigns from its functions as depository, and no substitute depository can be obtained, or (ii) the Bank determines that it is in the best interest of the Beneficial Owners that they be able to obtain Bond certificates, the ownership of 2015 Series Two Bonds may then be transferred to any person or entity as provided in the Resolution and such 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall no longer be held in book-entry form. An Authorized Officer shall deliver a written request to the Trustee to issue 2015 Series Two Bonds (and in the case of sub-series,

of each sub-series) as provided in the Resolution in any authorized denomination, together with a supply of definitive Bonds. Upon receipt of all then Outstanding 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) by the Trustee, together with a written request of an Authorized Officer to the Trustee, new 2015 Series Two Bonds (and in the case of sub-series, new 2015 Series Two Bonds of each sub-series) shall be issued and authenticated in such denominations and registered in the names of such persons as are requested in such written request.

(5) For so long as the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) are held in book-entry form under this Section, the Bank and the Trustee may treat DTC (or its nominee) as the sole and exclusive registered owner of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) registered in its name for the purposes of payment of principal or Redemption Price of and interest on such 2015 Series Two Bonds, selecting such 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), or portions thereof to be redeemed, giving any notice permitted or required to be given to Bondholders under the Resolution (except as otherwise provided pursuant to Section 508 or this 2015 Series Two Resolution), registering the transfer of such 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) and obtaining any consent or other action to be taken by Bondholders and for all other purposes whatsoever; and neither the Bank nor the Trustee shall be affected by any notice to the contrary. Neither the Bank nor the Trustee shall have any responsibility or obligation to any DTC Participant, any person claiming a beneficial ownership interest in the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) under or through DTC or any DTC Participant, or any other person not shown on the registration books of the Trustee as being a registered owner, with respect to the accuracy of any records maintained by DTC or any DTC Participant; the payment by DTC or any Depository Trust Company Participant of any amount in respect of the principal or Redemption Price of or interest on the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), any notice which is permitted or required to be given to Bondholders under the Resolution, the selection by DTC or any Depository Trust Company Participant of any person to receive payment in the event of a partial redemption of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), or any consent given or other action taken by DTC as Bondholder. The Trustee shall pay from money available under the Resolution all principal and Redemption Price of and interest on 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) only to or upon the order of DTC, and all such payments shall be valid and effective to fully satisfy and discharge the Bank's obligations with respect to the principal or Redemption Price of and interest on the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) to the extent of the sum or sums so paid.

Section 207 - Places and Manner of Payment.

For so long as all Outstanding 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) are registered in the name of Cede & Co. or its registered assigns, payment of principal and interest thereon shall be made as provided in the Letter of Representations and the operational arrangements referred to therein as amended from time to time. (Details regarding the current DTC Book-Entry-Only Issuance practices are included in Exhibit A attached hereto.) In the event that the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) are no longer registered in the name of Cede & Co. or its registered assigns, (i) payment of interest on the 2015 Series Two Bonds will be made by check or draft mailed by first class mail to the registered owner, at the address appearing on the bond register on the Record Date of the Bank kept at the corporate trust office of the Trustee, or, upon the written request of a registered owner of at least \$1,000,000 in principal amount of 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) received at least fifteen (15) days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) will be payable at the corporate trust office of the Trustee upon surrender of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) representing such principal. Both principal of and interest on the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

Section 208 - Optional Redemption.

The Chairman or the Executive Director are, and each of them is, hereby authorized to determine the optional redemption provisions, if any, for the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) and shall cause any such provisions to be included in the Bond Purchase Contract and the form of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series).

Section 209 - Mandatory Redemption.

The Chairman or the Executive Director are, and each of them is, hereby authorized to determine the mandatory redemption provisions, if any, for the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) and shall cause any such provisions to be included in the Bond Purchase Contract and the form of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series).

Section 210 - Sale of 2015 Series Two Bonds.

The 2015 Series Two Bonds shall be sold at negotiated sale to the Underwriter, and a co-underwriter if selected by the Chairman or the Executive Director, pursuant to the terms of the Bond Purchase Contract. The Chairman or the Executive Director are, and each of them is, hereby authorized to execute the Bond Purchase Contract with the Underwriter regarding the sale of the 2015 Series Two Bonds (and in the case of sub-series, for each sub-series) upon his approval of the sale details of the 2015 Series Two Bonds, including, but not limited to, whether the 2015 Series Two Bonds shall be issued and sold in one or more sub-series, the dated date and the delivery date of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), the aggregate principal (par) amount of the 2015 Series Two Bonds, the purchase price of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), the maturity and the interest payment dates of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), and the redemption provisions and interest rate of each maturity of the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series). Provided, however, the aggregate principal amount of the 2015 Series Two Bonds shall not exceed One Hundred Four Million Five Hundred Thousand Dollars (\$104,500,000), the true interest cost on the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series) shall not exceed four and three-quarters percent (4.75%), and the Underwriter's discount shall not exceed three-quarters of one percent (.75%) of the par value of the 2015 Series Two Bonds (and in the case of sub-series, for each sub-series). Additionally, prior to execution of the Bond Purchase Contract, the Chairman or the Executive Director, with the assistance of the Financial Advisor, shall take into account those factors which, in their judgment, will result in the lowest true interest cost on the 2015 Series Two Bonds (and in the case of sub-series, of each sub-series).

The authority granted to the Chairman and the Executive Director under this Section 210 shall expire one hundred eighty (180) days from the date of approval of this 2015 Series Two Resolution.

Section 211 - Official Statement.

The Chairman or the Executive Director are, and each of them is, hereby authorized to approve the final form of, and the distribution to prospective purchasers and other interested persons of, the preliminary Official Statement of the Bank for the 2015 Series Two Bonds in the form submitted to and part of the records of the meeting, with such changes as the Chairman or the Executive Director shall deem advisable. The Chairman and the Executive Director are hereby further authorized to approve the final form of the Official Statement. The distribution of the preliminary Official Statement and the Official Statement, as approved by the Chairman or the Executive Director, in

connection with the offering of the 2015 Series Two Bonds is hereby ratified, confirmed and approved.

There is hereby delegated to the Chairman or the Executive Director the power to deem the preliminary Official Statement final on behalf of the Bank for purposes of Securities and Exchange Commission Rule 15c2-12(b)(1).

ARTICLE III DISPOSITION OF BOND PROCEEDS

Section 301 - Disposition of Proceeds for Loan and Refunding Purposes.

(a) Upon the delivery of the 2015 Series Two Bonds the Bank shall, in accordance with Article V of the Resolution, apply a portion of the proceeds derived from the sale of the 2015 Series Two Bonds to the making of a (i) Loan to the City and Borough of Juneau, Alaska, in the principal amount not to exceed \$22,945,000, to be used to finance port improvements; (ii) Loan to the City and Borough of Juneau, Alaska, in the principal amount not to exceed \$3,400,000, to be used to refund (current) general obligation school bonds; (iii) Loan to the Municipality of Skagway, Alaska, in the principal amount not to exceed \$12,000,000 to be used to finance a public facility improvements; (iv) Loan to the Municipality of Skagway, Alaska, in the principal amount not to exceed \$5,000,000 to be used to finance port improvements; and (v) Loan to the City of Cordova, Alaska, in the principal amount not to exceed \$3,000,000 to be used to finance public facility improvements.

(b) Certain of the proceeds of the 2015 Series Two Bonds shall be used to purchase direct, non-callable (prior to the date of scheduled application) obligations of the United States of America, the principal of and the interest on which when due will provide moneys which, together with cash, if any, shall be sufficient and available to pay when due the redemption price of the Refunded Bonds, and the interest to become due on such bonds prior to and on the first optional redemption date; provided, however, that such amounts shall be applied only with respect to maturities that the Executive Director designates to be Refunded Bonds pursuant to Section 304.

Section 302 - Reserve Fund Deposit.

On the date of sale, but subject to Section 201 hereof, the Chairman or the Executive Director shall determine whether it is in the best interest of the Bank to use available cash or proceeds from the 2015 Series Two Bonds for purposes of making a deposit into the Reserve Fund, which amount, together with other available funds, if any, will be the amount necessary to make the total amount in the Reserve Fund equal to the Required Debt Service Reserve upon delivery of the 2015 Series Two Bonds.

Section 303 - Disposition of Remainder of Bond Proceeds.

The balance of the proceeds of the sale of the 2015 Series Two Bonds representing any premium received over the principal amount of the 2015 Series Two Bonds after deducting the amounts to be paid for costs of issuing the 2015 Series Two Bonds, amounts necessary to ensure the deposit to the Reserve Fund equals the Required Debt Service Reserve, and after deducting the amount allocable to the Reserve Obligations, if any, which amount shall be deposited in the Reserve Fund, shall be deposited with the Governmental Units and applied towards costs of issuance and debt service payments due and owing on their respective Municipal Bonds (as such term is defined in the Loan Agreement or Amendatory Loan Agreement) or such other permitted purpose.

Section 304 - Designation of Refunded Bonds.

The Executive Director is hereby authorized to designate which, if any, of the 2007 Series Three Bonds, the 2007 Series Four Bonds, the 2008 Series One Bonds, the 2008 Series Two Bonds and the 2009 Series Two Bonds shall be refunded, eliminating from the category of Refunded Bonds loan obligations corresponding to municipal bonds whose terms have not been amended by the Governmental Unit to conform to the terms of the refunding authorized by this 2015 Series Two Resolution as of the date of delivery of the 2015 Series Two Bonds. Provided, however, the refunding of the Refunded Bonds so designated by the Executive Director must realize an aggregate debt service savings of at least three percent (3%) of their principal amount, net of all issuance costs and underwriting discount, on a present value basis.

Section 305 - Escrow Agreement.

The Executive Director is hereby authorized and directed to enter into the Escrow Agreement with the trustee for the Refunded Bonds providing for the use and disposition of moneys, if any, and direct, non-callable obligations of the United States of America for the purpose set forth in Section 301(b) of this 2015 Series Two Resolution.

Section 306 - Election for Redemption of Refunded Bonds.

The Executive Director is hereby authorized to direct the trustee of the Refunded Bonds to redeem such bonds, designated to be refunded pursuant to Section 304, on the first available payment date in accordance with the terms of the respective authorizing resolution for the Refunded Bonds.

ARTICLE IV
EXECUTION AND FORM OF 2015 SERIES TWO BONDS

Section 401 - Execution and Form of 2015 Series Two Bonds.

The 2015 Series Two Bonds shall be executed in the manner set forth in Section 303 of the Resolution. Subject to the provisions of the Resolution, the 2015 Series Two Bonds, and the Trustee's certificate of authentication, shall be of substantially the following form and tenor:

ALASKA MUNICIPAL BOND BANK
GENERAL OBLIGATION AND REFUNDING BONDS, 2015[A][B] SERIES TWO

INTEREST RATE:	MATURITY DATE:	CUSIP NO.:
_____ %	_____, 20__	_____

Registered Owner: CEDE & Co.

Principal Amount: _____ and No/100 Dollars

Alaska Municipal Bond Bank (herein called the "Bank"), a public body corporate and politic, constituted as an instrumentality of the State of Alaska, organized and existing under and pursuant to the laws of the State of Alaska, acknowledges itself indebted to, and for value received, hereby promises to pay to CEDE & CO. or registered assigns, the principal sum specified above on the Maturity Date specified above, and to pay to the registered owner hereof interest on such principal sum from the date hereof to the date of maturity of this Bond at the rate per annum specified above, payable _____ 1, 20__, and semi-annually on the 1st day of _____ and on the 1st day of _____ thereafter. For so long as this Bond is held in book-entry form, payment of principal and interest shall be made by wire transfer to the registered owner pursuant to written instructions furnished to The Bank of New York Mellon Trust Company, N.A., in San Francisco, California, as Trustee under the General Bond Resolution of the Bank, adopted July 13, 2005, as amended (herein called the "Resolution"), or its successor or assigns as Trustee (herein called the "Trustee"). In the event this Bond is no longer held in book-entry form, (i) payment of interest will be made by check or draft mailed by first class mail to the registered owner at the address appearing on the bond register of the Bank kept by the Trustee, or, upon the written request of a registered owner of at least \$1,000,000 in principal amount of 2015 Series Two Bonds received at least 15 days prior to an interest payment date, by wire transfer in immediately available funds to an account in the United States of America designated by such registered owner; and (ii) principal will be payable upon presentation and surrender hereof at the corporate trust office of the Trustee. Interest shall be computed on the basis of a 360-day year composed of twelve thirty-day months. Both principal of

and interest on this Bond are payable in any coin or currency of the United States of America which, on the respective dates of payment thereof, shall be legal tender for the payment of public and private debts.

This Bond is a general obligation of the Bank and is one of a duly authorized issue of Bonds of the Bank designated "Alaska Municipal Bond Bank Bonds" (herein called the "Bonds"), issued and to be issued in various series under and pursuant to the Alaska Municipal Bond Bank Act, constituting Chapter 85, Title 44, of the Alaska Statutes (herein called the "Act"), and under and pursuant to the Resolution and a series resolution authorizing each such series. As provided in the Resolution, the Bonds may be issued from time to time pursuant to series resolutions in one or more series, in various principal amounts, may mature at different times, may bear interest at different rates and, subject to the provisions thereof, may otherwise vary. The aggregate principal amount of Bonds which may be issued under the Resolution is not limited except as provided in the Resolution, the applicable Series Resolution, and the Act, and all Bonds issued and to be issued under said Resolution are and will be equally and ratably secured by the pledges and covenants made therein, except as otherwise expressly provided or permitted in the Resolution and the applicable Series Resolution.

This Bond is one of a series [sub-series] of Bonds (the "2015 Series Two Bonds") issued in the aggregate principal amount of \$_____ under the Resolution of the Bank and a series resolution of the Bank, adopted April __, 2015, and entitled: "A Series Resolution Authorizing the Issuance of General Obligation and Refunding Bonds, 2015 Series Two, of the Alaska Municipal Bond Bank" (said resolutions being herein collectively called the "Resolutions").

Copies of the Resolutions are on file at the office of the Bank and at the corporate trust office of the Trustee, and reference to the Resolutions and any and all supplements thereto and modifications and amendments thereof and to the Act is made for a description of the pledges and covenants securing the 2015 Series Two Bonds; the nature, extent and manner of enforcement of such pledges; the rights and remedies of the registered owners of the 2015 Series Two Bonds with respect thereto; and the terms and conditions upon which the Bonds are issued and may be issued thereunder; to all of the provisions of which the registered owner of this Bond, by acceptance of this Bond, consents and agrees. To the extent and in the manner permitted by the terms of the Resolutions, the provisions of the Resolutions or any resolution amendatory thereof or supplemental thereto may be modified or amended by the Bank, with the written consent of the registered owners of at least two-thirds in principal amount of the Bonds then outstanding and, in case less than all of the several series of Bonds would be affected thereby, with such consent of the registered owners of at least two-thirds in principal amount of the Bonds of each series so affected then outstanding.

The 2015[A][B] Series Two Bonds are subject to redemption prior to their respective scheduled maturities as set forth below.

The 2015[A][B] Series Two Bonds maturing on or after _____ 1, 20__, are subject to redemption, in whole or in part, on or after _____ 1, 20__, at the option of the Bank at a price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date of redemption.

Unless previously redeemed pursuant to the foregoing optional redemption provisions, the 2015[A][B] Series Two Bonds maturing on _____ 1, 20__ (the "Term Bonds") are subject to redemption on _____ 1 of the following years and in the following principal amounts at 100% of the principal amount of the 2015[A][B] Series Two Bonds to be redeemed plus accrued interest, if any, to the redemption date.

Term Bonds Due _____ 1, 20__

Year

Sinking Fund Requirement

Notice of redemption will be mailed to owners of 2015 Series Two Bonds called for redemption not less than 30 days nor more than 60 days before the redemption date. Interest on any 2015 Series Two Bonds called for redemption will cease on the redemption date.

This Bond is transferable, as provided in the Resolutions, only upon the books of the Bank kept for that purpose at the corporate trust office of the Trustee, by the registered owner hereof in person or by its attorney duly authorized in writing, upon the surrender of this Bond together with a written instrument of transfer satisfactory to the Trustee duly executed by the registered owner or its attorney duly authorized in writing, and thereupon a new registered 2015 Series Two Bond or Bonds in the same aggregate principal amount and of the same maturity, in authorized denominations, shall be issued to the transferee in exchange therefor as provided in the Resolutions and upon the payment of the charges, if any, therein prescribed.

The 2015 Series Two Bonds are issuable in the denomination of \$5,000 or any integral multiple thereof, not exceeding the aggregate principal amount of 2015 Series Two Bonds maturing in the year of maturity of the Bond for which the denomination of the Bond is to be specified. Subject to such conditions and upon payment of such charges, if any, 2015 Series Two Bonds (and in the case of sub-series, of each sub-series), upon surrender thereof at the corporate trust office of the Trustee with a written instrument of transfer satisfactory to the Trustee, duly executed by the registered owner or its attorney duly authorized in writing, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered 2015

Series Two Bonds of any other authorized denominations, of the same maturity (and in the case of sub-series, of each sub-series).

The Bank is obligated to pay the principal of and interest on the 2015 Series Two Bonds only from revenues or funds of the Bank, and the State of Alaska is not obligated to pay such principal of or interest on the 2015 Series Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged to the payment of the principal of or the interest on the 2015 Series Two Bonds.

This Bond is fully negotiable for all purposes of the Uniform Commercial Code, and each owner of this Bond by accepting this Bond shall be conclusively considered to have agreed that this Bond is fully negotiable for those purposes.

Neither a member of the Bank nor any person executing the 2015 Series Two Bonds shall be liable personally on the 2015 Series Two Bonds by reason of the issuance thereof.

This Bond shall not be entitled to any benefit under the Resolutions or be valid or become obligatory for any purpose until this Bond shall have been authenticated by the execution by the Trustee of the Trustee's Certificate of Authentication hereon.

The Bank modified the Resolution, effective on the date when all Bonds issued prior to February 19, 2013 cease to be Outstanding, by: (i) authorizing the Trustee to release to the Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve; (ii) requiring the Trustee to withdraw earnings and profits realized in the Reserve Fund, and to provide such amounts to the Bank on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve; (iii) authorizing certain amendments and modifications to the Resolution effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding; and (iv) providing that an underwriter or purchaser of a Series of Bonds may consent to a modification of, or amendment to, the Resolution as Holder of such Bonds at the time such Bonds are issued.

IT IS HEREBY CERTIFIED, RECITED AND DECLARED that all acts, conditions and things required by the Constitution and statutes of the State of Alaska and the Resolutions to exist, to have happened and to have been performed precedent to and in the issuance of this Bond, exist, have happened and have been performed in due time, form and manner as required by law and that the issue of the 2015 Series Two Bonds, together with all other indebtedness of the Bank, is within every debt and other limit prescribed by law.

IN WITNESS WHEREOF, the Alaska Municipal Bond Bank has caused this Bond to be executed in its name by the manual or facsimile signature of its Chairman and its corporate seal (or a facsimile thereof) to be affixed, imprinted, engraved or otherwise reproduced hereon, and attested by the manual or facsimile signature of its Executive Director all as of the _____ day of _____ 2015.

ALASKA MUNICIPAL BOND BANK

[S E A L]

MARK E. PFEFFER
Chairman

A T T E S T:

DEVEN J. MITCHELL
Executive Director

TRUSTEE'S CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Resolutions and is one of the 2015 Series Two Bonds of the Alaska Municipal Bond Bank.

THE BANK OF NEW YORK MELLON
TRUST COMPANY, N.A.,
as Trustee

Date of Authentication:

Authorized Officer

ARTICLE V MISCELLANEOUS

Section 501 - Paying Agent.

The Bank of New York Mellon Trust Company, N.A., San Francisco, California, or its successor or assigns, is appointed paying agent for the 2015 Series Two Bonds.

Section 502 - Arbitrage Rebate.

Within 30 days after the end of every fifth Bond Year, and within 60 days of the date when all of the 2015 Series Two Bonds have been retired (or at such other time or times as may then be required by the Code and the applicable Income Tax Regulations), the Bank shall determine the Excess Investment Earnings and pay rebate amounts due the United States of America with respect thereto, as provided in Section 148(f) of the Code and the applicable Income Tax Regulations.

Section 503 - 2015 Series Two Debt Service Account.

There is hereby established as a special account in the Debt Service Fund the "2015 Series Two Debt Service Account," for the purpose of receiving amounts in the Debt Service Fund allocable to the 2015 Series Two Bonds, and in the case of sub-series, a "2015 Sub-Series [A][B] Debt Service Sub-Account" shall be created for each sub-series. Such amounts and the earnings thereon shall be deposited and held, and separately accounted for, in the 2015 Series Two Debt Service Account (and in the case of sub-series, in each 2015 Sub-Series Debt Service Sub-Account).

Section 504 - Tax Exemption and General Tax Covenant.

The Bank intends that interest on the 2015 Series Two Bonds issued on a tax-exempt basis shall be excludable from gross income for federal income tax purposes pursuant to Section 103 and 141 through 150 of the Code, and the applicable regulations. The Bank covenants not to take any action, or knowingly omit to take any action within its control, that if taken or omitted would cause the interest on the 2015 Series Two Bonds issued on a tax exempt basis to be included in gross income, as defined in Section 61 of the Code, for federal income tax purposes.

Section 505 - Arbitrage Covenant.

The Bank shall make no use or investment of the gross proceeds of the 2015 Series Two Bonds which will cause the 2015 Series Two Bonds to be "arbitrage bonds" subject to federal income taxation by reason of Section 148 of the Code. The Bank hereby covenants that so long as any of the 2015 Series Two Bonds are outstanding, the Bank, with respect to the gross proceeds of the 2015 Series Two Bonds, shall comply with all requirements of said Section 148 and of all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect.

Section 506 - Resolution Clarification.

It shall hereby be clarified that the Resolution, at Section 919, shall only apply to Bonds issued on a tax-exempt basis.

Section 507 - Loan Agreement and Amendatory Loan Agreements.

The Chairman and the Executive Director are each hereby authorized to execute the Loan Agreements and Amendatory Loan Agreements, as applicable, between the Bank and the herein referred to Governmental Units, in a form similar to the form submitted to and part of the records of the meeting of April 9, 2015, with such changes as the Chairman or the Executive Director shall deem advisable.

Section 508 - Continuing Disclosure.

The Bank hereby covenants and agrees that it will comply with and carry out all of the provisions of the form of Continuing Disclosure Certificate attached hereto as Exhibit B with such changes as the Chairman or the Executive Director shall deem advisable. Notwithstanding any other provision of this 2015 Series Two Resolution, failure of the Bank to comply with the Continuing Disclosure Certificate shall not be considered a default of the Bank's obligations under this 2015 Series Two Resolution, the Resolution or the 2015 Series Two Bonds; however, the Beneficial Owner of any Bond may bring an action for specific performance, to cause the Bank to comply with its obligations under this Section.

Section 509 - Chairman and Executive Director.

The Chairman and the Executive Director are each hereby authorized to execute all documents and to take any action necessary or desirable to carry out the provisions of this 2015 Series Two Resolution and to effectuate the issuance and delivery of the 2015 Series Two Bonds, including execution of the Bond Purchase Contract. The authority granted in this Section 509 to the Chairman and the Executive Director includes authorization to solicit commitments for a policy of insurance with respect to payment of the interest on and principal of the Bonds and thereafter to accept such commitment which is in the best interest of the Bank and enter into such agreement with the bond insurer as shall be in the best interests of the Bank.

Section 510 - Effective Date.

This 2015 Series Two Resolution shall take effect immediately on the date hereof (April 9, 2015).

EXHIBIT A

BLANKET ISSUER LETTER OF REPRESENTATIONS

Blanket Issuer Letter of Representations

[To be Completed by Issuer]

ALASKA MUNICIPAL BOND BANK

[Name of Issuer]

May 2, 1995

[Date]

Attention: Underwriting Department — Eligibility
The Depository Trust Company
55 Water Street, 50th Floor
New York, NY 10041-0099

Ladies and Gentlemen:

This letter sets forth our understanding with respect to all issues (the "Securities") that Issuer shall request be made eligible for deposit by The Depository Trust Company ("DTC").

To induce DTC to accept the Securities as eligible for deposit at DTC, and to act in accordance with DTC's Rules with respect to the Securities, Issuer represents to DTC that Issuer will comply with the requirements stated in DTC's Operational Arrangements, as they may be amended from time to time.

Note:

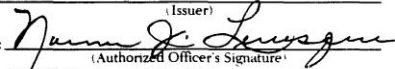
Schedule A contains statements that DTC believes accurately describe DTC, the method of effecting book-entry transfers of securities distributed through DTC, and certain related matters.

Very truly yours,

ALASKA MUNICIPAL BOND BANK

[Issuer]

By:



[Authorized Officer's Signature]

NORMAN J. LEVESQUE
Executive Director

Received and Accepted:

THE DEPOSITORY TRUST COMPANY

By:



**SAMPLE OFFERING DOCUMENT LANGUAGE
DESCRIBING BOOK-ENTRY-ONLY ISSUANCE**

(Prepared by DTC—bracketed material may be applicable
only to certain issues)

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the securities (the "Securities"). The Securities will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered Security certificate will be issued for [each issue of] the Securities, [each] in the aggregate principal amount of such issue, and will be deposited with DTC. [If, however, the aggregate principal amount of [any] issue exceeds \$500 million, one certificate will be issued with respect to each \$500 million of principal amount, and an additional certificate will be issued with respect to any remaining principal amount of such issue.]

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a Standard & Poor's rating of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of Securities under the DTC system must be made by or through Direct Participants, which will receive a credit for the Securities on DTC's records. The ownership interest of each actual purchaser of each Security ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants' records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the Securities are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in Securities, except in the event that use of the book-entry system for the Securities is discontinued.

4. To facilitate subsequent transfers, all Securities deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of Securities with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the Securities; DTC's records reflect only the identity of the Direct Participants to whose accounts such Securities are credited, which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. [Beneficial Owners of Securities may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the Securities, such as redemptions, tenders, defaults, and proposed amendments to the Security documents. For example, Beneficial Owners of Securities may wish to ascertain that the nominee holding the Securities for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.]

[6. Redemption notices shall be sent to DTC. If less than all of the Securities within an issue are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such issue to be redeemed.]

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to Securities unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to Issuer as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts Securities are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Redemption proceeds, distributions, and dividend payments on the Securities will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from Issuer or Agent, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, Agent, or Issuer, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of redemption proceeds, distributions, and dividend payments to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of Issuer or Agent, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

[9. A Beneficial Owner shall give notice to elect to have its Securities purchased or tendered, through its Participant, to [Tender/Remarketing] Agent, and shall effect delivery of such Securities by causing the Direct Participant to transfer the Participant's interest in the Securities, on DTC's records, to [Tender/Remarketing] Agent. The requirement for physical delivery of Securities in connection with an optional tender or a mandatory purchase will be deemed satisfied when the ownership rights in the Securities are transferred by Direct Participants on DTC's records and followed by a book-entry credit of tendered Securities to [Tender/Remarketing] Agent's DTC account.]

10. DTC may discontinue providing its services as depository with respect to the Securities at any time by giving reasonable notice to Issuer or Agent. Under such circumstances, in the event that a successor depository is not obtained, Security certificates are required to be printed and delivered.

11. Issuer may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, Security certificates will be printed and delivered to DTC.

12. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that Issuer believes to be reliable, but Issuer takes no responsibility for the accuracy thereof.

EXHIBIT B

CONTINUING DISCLOSURE CERTIFICATE

Alaska Municipal Bond Bank (the "Issuer") executes and delivers this Continuing Disclosure Certificate (the "Disclosure Certificate") in connection with the issuance of \$_____ Alaska Municipal Bond Bank General Obligation and Refunding Bonds, 2015 Series Two (the "Bonds"). The Bonds are being issued under the General Bond Resolution of the Bank entitled "A Resolution Creating And Establishing An Issue Of Bonds Of The Alaska Municipal Bond Bank; Providing For The Issuance From Time To Time Of Said Bonds; Providing For The Payment Of Principal Of And Interest On Said Bonds; And Providing For The Rights Of The Holders Thereof," adopted July 13, 2005, as amended (the "General Bond Resolution"), and Series Resolution No. 2015-03 adopted on April __, 2015 (the "Series Resolution," and together with the General Bond Resolution, the "Resolutions"). The Issuer covenants and agrees as follows:

Section 1. Purpose of the Disclosure Certificate. The Issuer is executing and delivering this Disclosure Certificate for the benefit of the Beneficial Owners of the Bonds, and to assist the Participating Underwriter in complying with Securities and Exchange Commission Rule 15c2-12(b)(5).

Section 2. Definitions. In addition to the definitions set forth in the Resolutions, which apply to any capitalized term used in this Disclosure Certificate unless otherwise defined in this Section, the following capitalized terms shall have the following meanings:

"Annual Report" means any Annual Report provided by the Issuer pursuant to, and as described in, Section 3 of this Disclosure Certificate.

"Fiscal Year" means the fiscal year of the Issuer (currently the 12-month period ending June 30), as such fiscal year may be changed from time to time as required by State law.

"MSRB" means the Municipal Securities Rulemaking Board.

"Participating Underwriter" means any of the original underwriters of the Bonds required to comply with the Rule in connection with the offering of the Bonds.

"Rule" means Rule 15c2-12(b)(5) adopted by the Securities and Exchange Commission under the Securities Exchange Act of 1934, as amended from time to time.

Section 3. Provision of Annual Reports and Financial Statements. Commencing with its Fiscal Year ending June 30, 2015, the Issuer will provide to the MSRB, in a format as prescribed by the Rule:

(a) Not later than 210 days after the end of each Fiscal Year, an Annual Report for the Fiscal Year. The Annual Report shall contain or incorporate by reference: (i) annual audited financial statements of the Issuer; (ii) a statement of authorized, issued and outstanding bonded debt of the Issuer; (iii) the Reserve Fund balance; and (iv) statistics regarding Governmental Units similar to those found in Appendix C to the Official Statement as of the end of the prior Fiscal Year. Any or all of these items may be included by specific reference to documents available to the public or the internet website of the MSRB or filed with the Securities and Exchange Commission. The Issuer shall clearly identify each such other document so incorporated by reference. The Annual Report may be submitted as a single document or as separate documents comprising a package, provided that audited financial statements may be submitted separately from the remainder of the Annual Report.

(b) Not later than 120 days after the end of each Fiscal Year, the Issuer will notify each Governmental Unit, who has, or had, an amount of bonds equal to or greater than twenty percent (20%) of all outstanding loans under the General Bond Resolution, of its continuing disclosure undertaking responsibility. A list of such Governmental Units for the prior Fiscal Year will be included in the Annual Report.

Section 4. Notice of Failure to Provide Information. The Issuer shall provide in a timely manner to the MSRB notice of any failure to satisfy the requirements of Section 3 of this Disclosure Certificate.

Section 5. Reporting of Significant Events. (a) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event:

- (1) Principal and interest payment delinquencies.
- (2) Unscheduled draws on debt service reserves reflecting financial difficulties.
- (3) Unscheduled draws on credit enhancements reflecting financial difficulties.
- (4) Substitution of credit or liquidity providers, or their failure to perform.

(5) Adverse tax opinions or events affecting the tax-exempt status of the Bonds which include (i) the issuance by the Internal Revenue Service ("IRS") of proposed or final determinations of taxability, (ii) Notices of Proposed Issues (IRS Form 5701-TEB), (iii) other material notices or determinations with respect to the Bonds, and (iv) other events affecting the tax status of the Bonds.

(6) Defeasances.

(7) Rating changes.

(8) Tender offers.

(9) Bankruptcy, insolvency, receivership or similar proceeding by the Issuer or "obligated person."

(b) The Issuer shall file with the MSRB a notice of any of the following events with respect to the Bonds, within ten (10) business days of the occurrence of such event, if material:

(1) Nonpayment-related defaults.

(2) Modifications to rights of holders of the Bonds.

(3) Bond calls, other than mandatory, scheduled redemptions not otherwise contingent on the occurrence of an event.

(4) Release, substitution or sale of property securing repayment of the Bonds.

(5) Other than in the normal course of business, the consummation of a merger, consolidation, or acquisition involving an "obligated person," or the sale of all or substantially all of the assets of the Issuer or "obligated person," or the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than in accordance with its terms.

(6) Appointment of a successor or additional trustee or the change in name of the trustee for the Bonds.

Section 6. Termination of Reporting Obligation. The Issuer's obligations under this Disclosure Certificate shall terminate upon the legal defeasance, prior redemption or payment in full of all of the Bonds.

Section 7. Amendment; Waiver. Notwithstanding any other provision of this Disclosure Certificate, the Issuer may amend this Disclosure Certificate, provided that the amendment meets each of the following conditions:

(a) The amendment is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the Issuer;

(b) This Disclosure Certificate, as amended, would have complied with the requirements of the Rule as of the date hereof, after taking into account any amendments or interpretations of the Rule, as well as any changes in circumstances;

(c) The Issuer obtains an opinion of counsel unaffiliated with the Issuer that the amendment does not materially impair the interests of the Beneficial Owners of the Bonds; and

(d) The Issuer notifies and provides the MSRB with copies of the opinions and amendments.

Any such amendment may be adopted without the consent of any Beneficial Owner of any of the Bonds, notwithstanding any other provision of this Disclosure Certificate or the Resolutions.

The first Annual Report containing amended operating data or financial information pursuant to an amendment of this Disclosure Certificate shall explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

Section 8. Filing Alternative. Any filing required under the terms of this Disclosure Certificate may be made solely by transmitting such filing to the Electronic Municipal Market Access as provided at <http://www.emma.msrb.org>, or in such other manner as may be permitted from time to time by the Securities Exchange Commission.

Section 9. Default. In the event of a failure of the Issuer to comply with any provision of this Disclosure Certificate, any Beneficial Owner may take such actions as may be necessary and appropriate, including an action to compel specific performance, to cause the Issuer to comply with its obligations under this Disclosure Certificate. No failure to comply with any provision of this Disclosure Certificate shall be deemed an Event of Default under the Resolutions, and the sole remedy under this Disclosure Certificate in the event of any failure of the Issuer to comply with this Disclosure Certificate shall be an action to compel specific performance.

Section 10. Beneficiaries. This Disclosure Certificate shall inure solely to the benefit of the Issuer, the Trustee, the Participating Underwriter and the Beneficial Owners from time to time of the Bonds, and shall create no rights in any other person or entity.

Section 11. Prior Compliance. The Issuer is in compliance in all material respects with its prior undertakings pursuant to the Rule except as set forth in the Official Statement, dated _____, 2015, relating to the Bonds.

DATED this ____ day of _____ 2015.

ALASKA MUNICIPAL BOND BANK

DEVEN J. MITCHELL
Executive Director

**FORM OF
LOAN AGREEMENT**

THIS LOAN AGREEMENT, dated as of the ____ day of _____ 20__, between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and the [City] [Borough], Alaska, a duly constituted _____ [City] [Borough] of the State (the "[City] [Borough]"):

W I T N E S S E T H:

WHEREAS, pursuant to the Act, the Bank is authorized to make loans of money (the "Loan" or "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a Governmental Unit as defined in the General Bond Resolution of the Bank hereinafter mentioned and pursuant to the Act is authorized to accept a Loan from the Bank to be evidenced by its municipal bonds; and

WHEREAS, the [City] [Borough] desires to borrow money from the Bank in the amount not to exceed \$_____ and has submitted an application to the Bank for a Loan in the amount not to exceed \$_____, and the [City] [Borough] has duly authorized the issuance of its fully registered bond in the aggregate principal amount of \$_____ (the "Municipal Bond"), which bond is to be purchased by the Bank as evidence of the Loan in accordance with this Loan Agreement; and

WHEREAS, the application of the [City] [Borough] contains the information requested by the Bank; and

WHEREAS, to provide for the issuance of bonds of the Bank in order to obtain from time to time money with which to make Loans, the Bank has adopted the General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution") and Series Resolution No. 20__-__, approved on _____, 20__ (together with the General Bond Resolution, the "Bond Resolution"), authorizing the making of such Loan to the [City] [Borough] and the purchase of the Municipal Bond; and

WHEREAS, the Board of the Bank approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding.

NOW, THEREFORE, the parties agree:

1. The Bank hereby makes the Loan and the [City] [Borough] accepts the Loan in the aggregate principal amount of \$ _____. As evidence of the Loan made to the [City] [Borough] and such money borrowed from the Bank by the [City] [Borough], the [City] [Borough] hereby sells to the Bank the Municipal Bond in the principal amount, with the principal installment payments, and bearing interest from its date at the rate or rates per annum, stated in Exhibit A appended hereto.

2. The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. _____, adopted on _____, 20__ (the "[City] [Borough] [Ordinance] [Resolution]"), and has taken or will take all proceedings required by law to enable it to enter into this Loan Agreement and issue its Municipal Bond to the Bank and that the Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] [Ordinance] [Resolution].

3. Subject to any applicable legal limitations, the amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing interest due on its Municipal Bond (the "Municipal Bond Interest Payments") shall be computed at the same rate or rates of interest borne by the corresponding maturities of the bonds sold by the Bank in order to obtain the money with which to make the Loan and to purchase the Municipal Bond (the "Loan Obligations") and shall be paid by the [City] [Borough] at least seven (7) business days before the interest payment date so as to provide funds sufficient to pay interest as the same becomes due on the Loan Obligations.

4. The amounts to be paid by the [City] [Borough] pursuant to this Loan Agreement representing principal due on its Municipal Bond (the "Municipal Bond Principal Payments"), shall be paid at least seven (7) business days before the payment date stated in the Municipal Bond so as to provide funds sufficient to pay the principal of the Loan Obligations as the same matures based upon the maturity schedule stated in Exhibit A appended hereto.

5. In the event the amounts referred to in Sections 3 and 4 hereof to be paid by the [City] [Borough] pursuant to this Loan Agreement are not made available at any time specified herein, the [City] [Borough] agrees that any money payable to it by any department or agency of the State may be withheld from it and paid over directly to the Trustee acting under the General Bond Resolution, and this Loan Agreement shall be full warrant, authority and direction to make such payment upon notice to such department or agency by the Bank, with a copy provided to the [City] [Borough], as provided in the Act.

6. In the event Loan Obligations have been refunded and the interest rates the Bank is required to pay on its refunding bonds in any year are less than the interest rates payable by the [City] [Borough] on the Municipal Bond for the corresponding year pursuant to the terms of the Municipal Bond, then both the Municipal Bond Interest Payments and the Municipal Bond Principal Payments will be adjusted in such a manner that (i) the interest rate paid by the [City] [Borough] on any principal installment of the Municipal Bond is equal to the interest rate paid by the Bank on the corresponding principal installment of the Bank's refunding bonds and (ii) on a present value basis the sum of the adjusted Municipal Bond Interest Payments and Municipal Bond Principal Payments is equal to or less than the sum of the Municipal Bond Interest Payments and Municipal Bond Principal Payments due over the remaining term of the Municipal Bond as previously established under this Loan Agreement. In the event of such a refunding of Loan Obligations, the Bank shall present to the [City] [Borough] for the [City's] [Borough's] approval, a revised schedule of principal installment amounts and interest rates for the Municipal Bond. If approved by the [City] [Borough] the revised schedule shall be attached hereto as Exhibit A and incorporated herein in replacement of the previous Exhibit A detailing said principal installment amounts and interest rates.

7. The [City] [Borough] is obligated to pay to the Bank Fees and Charges. Such Fees and Charges actually collected from the [City] [Borough] shall be in an amount sufficient, together with the [City's] [Borough's] Allocable Proportion (as defined below) of other money available therefor under the provisions of the Bond Resolution, and other money available therefor, including any specific grants made by the United States of America or any agency or instrumentality thereof or by the State or any agency or instrumentality thereof and amounts applied therefor from amounts transferred to the Operating Fund pursuant to Section 606 of the General Bond Resolution:

(a) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the Administrative Expenses of the Bank; and

(b) to pay, as the same become due, the [City's] [Borough's] Allocable Proportion of the fees and expenses of the Trustee and paying agent for the Loan Obligations.

The [City's] [Borough's] Allocable Proportion as used herein shall mean the proportionate amount of the total requirement in respect to which the term is used determined by the ratio that the principal amount of the Municipal Bond outstanding bears to the total of all Loans then outstanding to all Governmental Units under the

General Bond Resolution, as certified by the Bank. The waiver by the Bank of any fees payable pursuant to this Section 7 shall not constitute a subsequent waiver thereof.

8. The [City] [Borough] is obligated to make the Municipal Bond Principal Payments scheduled by the Bank. The first such Municipal Bond Principal Payment is due at least seven (7) business days prior to the date indicated on Exhibit A appended hereto, and thereafter on the anniversary thereof each year. The [City] [Borough] is obligated to make the Municipal Bond Interest Payments scheduled by the Bank on a semi-annual basis commencing seven (7) business days prior to the date indicated on Exhibit A appended hereto, and to pay any Fees and Charges imposed by the Bank within 30 days of receiving the invoice of the Bank therefor.

9. The Bank shall not sell and the [City] [Borough] shall not redeem prior to maturity any portion of the Municipal Bond in an amount greater than the Loan Obligations which are then outstanding and which are then redeemable, and in the event of any such sale or redemption, the same shall be in an amount not less than the aggregate of (i) the principal amount of the Municipal Bond (or portion thereof) to be redeemed, (ii) the interest to accrue on the Municipal Bond (or portion thereof) to be redeemed to the next redemption date thereof not previously paid, (iii) the applicable premium, if any, payable on the Municipal Bond (or portion thereof) to be redeemed, and (iv) the cost and expenses of the Bank in effecting the redemption of the Municipal Bond (or portion thereof) to be redeemed. The [City] [Borough] shall give the Bank at least 50 days' notice of intention to redeem its Municipal Bond.

In the event the Loan Obligations with respect to which the sale or redemption prior to maturity of such Municipal Bond is being made have been refunded and the refunding bonds of the Bank issued for the purpose of refunding such Loan Obligations were issued in a principal amount in excess of or less than the principal amount of the Municipal Bond remaining unpaid at the date of issuance of such refunding bonds, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (i) above shall be the principal amount of such refunding bonds outstanding.

In the event the Loan Obligations have been refunded and the interest the Bank is required to pay on the refunding bonds is less than the interest the Bank was required to pay on the Loan Obligations, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (ii) above shall be the amount of interest to accrue on such refunding bonds outstanding.

In the event the Loan Obligations have been refunded, the amount which the [City] [Borough] shall be obligated to pay or the Bank shall receive under item (iii) above, when the refunded Loan Obligations are to be redeemed, shall be the applicable premium, if any, on the Loan Obligations to be redeemed.

Nothing in this Section shall be construed as preventing the [City] [Borough] from refunding the Municipal Bond in exchange for a new Municipal Bond in conjunction with a refunding of the Loan Obligations.

10. Simultaneously with the delivery of the Municipal Bond to the Bank, the [City] [Borough] shall furnish to the Bank evidence satisfactory to the Bank which shall set forth, among other things, that the Municipal Bond will constitute a valid and binding [general obligation] [special and limited obligation] of the [City] [Borough], secured by the [full faith and credit] [revenue of the _____] of the [City] [Borough].

11. Invoices for payments under this Loan Agreement shall be addressed to the [City] [Borough], Attention: _____, _____, Alaska 99____. The [City] [Borough] shall give the Bank and the corporate trust office of the Trustee under the General Bond Resolution at least 30 days' written notice of any change in such address.

12. [The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to \$_____) which secures payment of principal and interest on its Municipal Bond, that such fund shall be held in the name of the [City] [Borough] with the Trustee, and that the yield on amounts held in such fund shall be restricted to a yield not in excess of _____ percent.
(Applies to revenue bonds only.)

13. [Rate covenant language – if applicable.]

14. The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bond Bank upon request.

15. Prior to payment of the amount of the Loan or any portion thereof, and the delivery of the Municipal Bond to the Bank or its designee, the Bank shall have the right to cancel all or any part of its obligations hereunder if:

(a) Any representation, warranty or other statement made by the [City] [Borough] to the Bank in connection with its application to the Bank for a Loan shall be incorrect or incomplete in any material respect.

(b) The [City] [Borough] has violated commitments made by it in the terms of this Loan Agreement.

(c) The financial position of the [City] [Borough] has, in the opinion of the Bank, suffered a materially adverse change between the date of this Loan Agreement and the scheduled time of delivery of the Municipal Bond to the Bank.

16. The obligation of the Bank under this Loan Agreement is contingent upon delivery of its General Obligation Bonds, 20__ Series _____ (the "20__ Series _____ Bonds") and receipt of the proceeds thereof.

17. The [City] [Borough] agrees that it will provide the Bank with written notice of any default in covenants under the [City] [Borough] [Ordinance] [Resolution] within thirty (30) days from the date thereof.

18. The [City] [Borough] agrees that it shall file its annual financial statement with the Municipal Securities Rulemaking Board not later than two hundred ten (210) days after the end of each fiscal year of the [City] [Borough] for the term of the Municipal Bond. The [City] [Borough] further agrees that filings under this Section 16 shall be made in connection with CUSIP Nos. 01179P, 011798 and 01179R. Additional or alternate CUSIP number(s) may be added from time to time by written notice from the Bank to the [City] [Borough]. The [City] [Borough] agrees that if it shall receive from the Bank CUSIP number(s) in addition to those set forth in this Section then it shall make its filings using both CUSIP numbers herein stated and any additional CUSIP number(s).

19. The [City] [Borough] agrees that it shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on the Municipal Bond to become subject to federal income taxes in addition to federal income taxes to which interest on such Municipal Bond is subject on the date of original issuance thereof.

The [City] [Borough] shall not permit any of the proceeds of the Municipal Bond, or any facilities financed with such proceeds, to be used in any manner that would cause the Municipal Bond to constitute a "private activity bond" within the meaning of Section 141 of the Code.

The [City] [Borough] shall make no use or investment of the proceeds of the Municipal Bond which will cause the Municipal Bond to be an "arbitrage bond" under

Section 148 of the Code. So long as the Municipal Bond is outstanding, the [City] [Borough], shall comply with all requirements of said Section 148 and all regulations of the United States Department of Treasury issued thereunder, to the extent that such requirements are, at the time, applicable and in effect. The [City] [Borough] shall indemnify and hold harmless the Bank from any obligation of the [City] [Borough] to make rebate payments to the United States under said Section 148 arising from the [City's] [Borough's] use or investment of the proceeds of the Municipal Bond.

20. The [City] [Borough] agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purposes of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

21. The [City] [Borough] agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide the Bank for inclusion in future official statements, upon request, financial information generally of the type included in Appendix D, under the heading "Summaries of Borrowers Representing 10% or More of Outstanding Principal of Bonds Issued Under the 2005 General Bond Resolution," to the Official Statement and attached hereto as Exhibit B.

22. If any provision of this Loan Agreement shall for any reason be held to be invalid or unenforceable, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Loan Agreement and this Loan Agreement shall be construed and enforced as if such invalid or unenforceable provision had not been contained herein.

23. This Loan Agreement may be executed in one or more counterparts, any of which shall be regarded for all purposes as an original and all of which constitute but one and the same instrument. Each party agrees that it will execute any and all documents or other instruments, and take such other actions as are necessary, to give effect to the terms of this Loan Agreement.

24. No waiver by either party of any term or condition of this Loan Agreement shall be deemed or construed as a waiver of any other term or condition hereof, nor shall a waiver of any breach of this Loan Agreement be deemed to constitute a waiver of any subsequent breach, whether of the same or of a different section, subsection, paragraph, clause, phrase or other provision of this Loan Agreement.

25. In this Loan Agreement, unless otherwise defined herein, all capitalized terms which are defined in Article I of the General Bond Resolution shall have the same

meanings, respectively, as such terms are given in Article I of the General Bond Resolution.

26. This Loan Agreement merges and supersedes all prior negotiations, representations and agreements between the parties hereto relating to the subject matter hereof and constitutes the entire agreement between the parties hereto in respect thereof.

IN WITNESS WHEREOF, the parties hereto have executed this Loan Agreement the day and year first above written.

ALASKA MUNICIPAL BOND BANK

By: _____
DEVEN J. MITCHELL
Executive Director

[CITY] [BOROUGH] OF _____,
ALASKA

By: _____

Its: _____

EXHIBIT A

\$ _____
[City] [Borough], Alaska
[General Obligation] [Revenue] Bond, 20__[_]
("Municipal Bond")

Due _____ 1	Principal <u>Amount</u>	Interest <u>Rate</u>
----------------	----------------------------	-------------------------

Principal installments shall be payable on _____ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on _____ 1, 20__, and thereafter on _____ 1 and _____ 1 of each year.

Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.

Optional Prepayment: The Municipal Bond principal installments due on or after _____ 1, 20__ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after _____ 1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

EXHIBIT B

DRAFT

**FORM OF
AMENDATORY LOAN AGREEMENT**

THIS AMENDATORY LOAN AGREEMENT, dated as of the ____ day of _____ 20____, between the Alaska Municipal Bond Bank (the "Bank"), a body corporate and politic constituted as an instrumentality of the State of Alaska (the "State") exercising public and essential governmental functions, created pursuant to the provisions of Chapter 85, Title 44, Alaska Statutes, as amended (the "Act"), having its principal place of business at Juneau, Alaska, and _____, Alaska, a duly constituted _____ of the State (the "[City] [Borough]"):

WITNESSETH:

WHEREAS, pursuant to the Act, the Bank is authorized to issue bonds and loan money (the "Loans") to governmental units; and

WHEREAS, the [City] [Borough] is a "Governmental Unit" as defined in the General Bond Resolution of the Bank hereinafter mentioned and was authorized to accept a Loan from the Bank, evidenced by its municipal bond; and

WHEREAS, to provide for the issuance of bonds of the Bank in order to obtain from time to time money with which to make, and or refinance, municipal Loans, the Bank adopted its General Obligation Bond Resolution on July 13, 2005, as amended (the "General Bond Resolution"); and

WHEREAS, the Board of the Bank approved certain modifications to the General Bond Resolution, effective on the date when all bonds issued under the terms of the General Bond Resolution, prior to February 19, 2013, cease to be outstanding; and

WHEREAS, the Bank made a Loan to the [City] [Borough] from proceeds of the Bank's _____ Bonds, _____ Series ____ ("_____ Series ____ Bonds") in the amount of \$_____, evidenced by a Loan Agreement dated _____ 1, _____ (the "Loan Agreement") between the Bank and the [City] [Borough]; and

WHEREAS, the Bank's _____ Series ____ Bonds were issued pursuant to the terms of the Bank's General Bond Resolution, adopted May 27, 1976, as amended and supplemented by a series resolution; **[or]** [WHEREAS, the Bank's _____ Series ____ Bonds were issued pursuant to the terms of the Bank's General Bond Resolution, as amended and supplemented by a series resolution;] and

WHEREAS, as security for repayment of the Loan, the [City] [Borough] issued its _____ Bond, _____ Series ____ of the [City] [Borough], dated _____, _____ (the "Municipal Bond") of which the Bank is the registered owner; and

WHEREAS, the Bank has determined that refunding a portion of the ____ Series ____ Bonds will result in a debt service savings thereon and on the Municipal Bond; and

WHEREAS, pursuant to the terms of the General Bond Resolution the Bank adopted Series Resolution No. 20__-__, approved on _____, 20__ (the "Series Resolution" and, together with the General Bond Resolution, the "Bond Resolution") authorizing the issuance of its General Obligation and Refunding Bonds, 20__ Series ____ (the "Refunding Bonds") to, in part, refund a portion of the ____ Series ____ Bonds; and

WHEREAS, to effect the proposed refunding and resulting debt service savings on the ____ Series ____ Bonds and the Municipal Bond, and to conform the terms of the Loan Agreement to the current practices of the Bank, it is necessary to amend the terms of the Loan Agreement and the Municipal Bond as provided herein.

NOW, THEREFORE, the parties agree as follows:

1. The Bank will refund a portion of the outstanding ____ Series ____ Bonds as provided in the Series Resolution. The amounts of the principal installments of the Municipal Bond corresponding to the refunded maturities of the ____ Series ____ Bonds, and the interest payable thereon, shall be adjusted pro rata in accordance with the debt service payable on the Refunding Bonds. The Municipal Bond henceforth shall mature in the principal amounts and bear interest at the rates per annum as stated on Exhibit A appended hereto.

2. Section 2 of the Loan Agreement is amended to include the following paragraph:

The [City] [Borough] represents that it has duly adopted or will adopt all necessary ordinances or resolutions, including [Ordinance] [Resolution] No. _____, adopted on _____, 20__ (the "[City] [Borough] Refunding [Ordinance] [Resolution]"), and has taken or will take all proceedings required by law to enable it to enter into this Amendatory Loan Agreement and issue its refunding Municipal Bond to the Bank and that the refunding Municipal Bond will constitute [a general obligation bond, secured by the full faith and credit] [a revenue bond, a special and limited obligation] of the [City] [Borough], all duly authorized by the [City] [Borough] Refunding [Ordinance] [Resolution].

3. The refunding Municipal Bond shall be subject to optional prepayment prior to maturity on and after the same date, and on the same terms as the Refunding Bonds may be subject to optional redemption.

4. Section [] of the Loan Agreement is amended by replacing the current language with the following:

The [City] [Borough] agrees that if its bonds constitute ten percent (10%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution it shall provide the Bank for inclusion in future official statements, upon request, financial information generally of the type included in Appendix D of the Bank's Official Statement, dated _____, 20__, under the heading "Summaries of Borrowers Representing 10% or More of Outstanding Principal of Bonds Issued Under the 2005 Bond Resolution" to the Official Statement and attached hereto as Exhibit B.

The [City] [Borough] further agrees that if its bonds constitute twenty percent (20%) or more of the outstanding principal of municipal bonds held by the Bank under its General Bond Resolution, it shall execute a continuing disclosure agreement prepared by the Bank for purpose of Securities and Exchange Commission Rule 15c2-12, adopted under the Securities and Exchange Act of 1934.

5. A new Section __ is added to the Loan Agreement, as follows:

The [City] [Borough] agrees that it shall file, on an annual basis, its audited financial statement with the Municipal Securities Rulemaking Board not later than two hundred ten (210) days after the end of each fiscal year of the [City] [Borough] for the term of the Municipal Bond and any refunding Municipal Bond. The [City] [Borough] agrees filings under this Section __ shall be made in connection with CUSIP Nos. 01179P, 011798 and 01179R. Additional or alternate CUSIP number(s) may be added from time to time by written notice from the Bank to the [City] [Borough]. The [City] [Borough] agrees that if it shall receive from the Bank CUSIP number(s) in addition to those set forth in this Section then it shall make its filings using both CUSIP numbers herein stated and any additional CUSIP number(s).

6. A new Section __ is added to the Loan Agreement, as follows:

The [City] [Borough] hereby agrees to keep and retain, until the date six years after the retirement of the Municipal Bond, or any bond issued to refund the Municipal Bond, or such longer period as may be required by the [City's] [Borough's] record retention policies and procedures, records with respect to the investment, expenditure and use of the proceeds derived from the sale of its Municipal Bond, including without limitation, records, schedules, bills, invoices, check registers, cancelled checks and supporting documentation evidencing use of proceeds, and investments and/or reinvestments of proceeds. The [City] [Borough] agrees that all records required by the preceding sentence shall be made available to the Bank upon request.

7. A new Section ___ is added to the Loan Agreement, as follows:

The [City] [Borough] hereby agrees that it shall fully fund, at the time of loan funding, its debt service reserve fund (in an amount equal to \$_____) which secures payment of principal and interest on its Municipal Bond, and that such fund shall be held in the name of the [City] [Borough] with the Trustee. The [City] [Borough] further agrees that the yield on amounts held in such debt service reserve account shall be restricted to a yield not in excess of _____ percent.

8. A new Section ___ is added to the Loan Agreement, as follows:

(a) The [City] [Borough] hereby certifies that all Municipal Bond proceeds, except for those proceeds that are accounted for as transferred proceeds in the arbitrage certificate for its refunding Municipal Bond, have been expended prior to the date hereof.

(b) The [City] [Borough] hereby certifies that all required rebate calculations relating to the Municipal Bond have been timely performed and the [City] [Borough] has remitted any necessary amount(s) to the Internal Revenue Service.

(c) The [City] [Borough] hereby certifies that the Municipal Bond, or any portion thereof, has not previously been advance refunded.

IN WITNESS WHEREOF, the parties hereto have executed this Amendatory Loan Agreement as of the date first set forth above.

ALASKA MUNICIPAL BOND BANK

By: _____
DEVEN J. MITCHELL
Executive Director

[CITY] [BOROUGH], ALASKA

By: _____

Its: _____

EXHIBIT A

_____, Alaska
_____, _____ Series __, As Amended on _____, 20__

Principal Sum of \$_____

Principal Payment Date
(____ 1, 20__)

Principal
Amount

Interest
Rate

Principal installments shall be payable on _____ 1 in each of the years, and in the amounts set forth above. Interest on the Municipal Bond shall be payable on _____ 1, 20__, and thereafter on _____ 1 and _____ 1 of each year.

Prepayment Provisions: The Municipal Bond principal installments are not subject to prepayment prior to maturity.

Optional Prepayment: The Municipal Bond principal installments due on or after _____ 1, 20__ are subject to prepayment in whole or in part at the option of the [City] [Borough] on any date on or after _____ 1, 20__, at a price of 100% of the principal amount thereof to be prepaid, plus accrued interest to the date of prepayment.

EXHIBIT B

DRAFT

This Preliminary Official Statement and the information contained herein are subject to completion or amendment without notice. These securities may not be sold nor may offers to buy be accepted prior to the time the Official Statement is delivered in final form. Under no circumstances shall this Preliminary Official Statement constitute an offer to sell or the solicitation of an offer to buy these securities nor shall there be any sale of these securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

PRELIMINARY OFFICIAL STATEMENT DATED APRIL 30, 2015

**New Issue
Book-Entry Only**

**Fitch Rating: Applied for
Standard & Poor's Rating: Applied for
(See "Ratings" herein.)**

In the opinion of Bond Counsel, based on an analysis of existing statutes, regulations, rulings and court decisions, and assuming, among other things, compliance by the Bond Bank and the Governmental Units with covenants relating to certain requirements in the Internal Revenue Code of 1986, as amended (the "Code"), interest on the 2015A Series Two Bonds and 2015B Series Two Bonds (together, the "2015 Series Two Bonds") is excludable from gross income of owners thereof for federal income tax purposes, except, in the case of the 2015B Series Bonds during the period when such bonds are held by a "substantial user" of the facilities financed thereby or a "related person" within the meaning of Section 147(a) of the Code. Bond Counsel is further of the opinion that (i) interest on the 2015A Series Two Bonds is not treated as a tax preference item for purposes of the alternative minimum tax, but interest on the 2015A Series Two Bonds is taken into account in determining a corporation's "adjusted current earnings" and (ii) interest on the 2015B Series Two Bonds is a specific preference item for purposes of the federal alternative minimum tax imposed on individuals and corporations; In addition, in the opinion of Bond Counsel, under existing statutes, interest on the Bonds is exempt from taxation by the State of Alaska except for transfer, estate and inheritance taxes. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the Bonds. See "TAX MATTERS" herein.

\$ _____

Alaska Municipal Bond Bank

\$ _____

General Obligation and Refunding Bonds 2015A Series Two (Non-AMT)

\$ _____

General Obligation Bonds 2015B Series Two (AMT)

Dated: Date of Delivery

Due: As shown on inside cover

The Alaska Municipal Bond Bank (the "Bond Bank") is issuing \$ _____ principal amount of General Obligation and Refunding Bonds, 2015A Series Two (Non-AMT) (the "2015A Series Two Bonds") and \$ _____ principal amount of General Obligation Bonds, 2015B Series Two (AMT) (the "2015B Series Two Bonds", and together with the 2015A Series Two Bonds, the "2015 Series Two Bonds"). The 2015 Series Two Bonds initially will be issued as fully registered bonds, in book-entry form only, registered in the name of Cede & Co., as nominee of The Depository Trust Company ("DTC"), which will serve as depository for the 2015 Series Two Bonds. Individual purchases of the 2015 Series Two Bonds will be made in principal amounts of \$5,000 or integral multiples thereof within a single maturity of a sub-series. Purchasers of the 2015 Series Two Bonds will not receive certificates representing their beneficial ownership interests in the 2015 Series Two Bonds. Interest on the 2015 Series Two Bonds will accrue from the date of delivery of the 2015 Series Two Bonds, or from the most recent interest payment date to which interest has been paid, and is payable on each March 1 and September 1, commencing September 1, 2015.

The Bank of New York Mellon Trust Company, N.A., of Seattle, Washington, as the Trustee and Paying Agent for the 2015 Series Two Bonds, will make principal and interest payments to DTC. Disbursement of such payments to DTC Participants is the responsibility of DTC. Disbursement of such payments to the Beneficial Owners is the responsibility of the DTC Participants. See "DESCRIPTION OF THE 2015 SERIES TWO BONDS" and "APPENDIX G – DTC AND BOOK-ENTRY SYSTEM."

The 2015 Series Two Bonds are subject to redemption prior to their stated maturity dates. See "DESCRIPTION OF THE 2015 SERIES TWO BONDS – Optional Redemption, – Mandatory Redemption."

The 2015 Series Two Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the punctual payment of the principal of and interest on the 2015 Series Two Bonds. The 2015 Series Two Bonds are equally and ratably secured by the pledge and assignment of all Municipal Bonds acquired by the Bond Bank under the Bond Bank's 2005 General Bond Resolution on a parity with other Bonds of the Bond Bank heretofore or hereafter issued under the 2005 General Bond Resolution. The 2015 Series Two Bonds are the thirty-second series of Bonds issued under the 2005 General Obligation Bond Resolution.

The 2015 Series Two Bonds do not constitute a debt or other liability of the State of Alaska, and the 2015 Series Two Bonds do not directly, indirectly or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2015 Series Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2015 Series Two Bonds. The Bond Bank has no taxing power. See "SECURITY FOR THE 2015 SERIES TWO BONDS."

The 2015 Series Two Bonds are offered when, as and if issued, subject to the approving legal opinion of Wohlforth, Brecht & Cartledge of Anchorage, Alaska, Bond Counsel. Certain legal matters will be passed upon for the Governmental Units by their respective bond counsel and for the Underwriters by their counsel, Foster Pepper PLLC of Seattle, Washington. It is expected that the 2015 Series Two Bonds in definitive form will be issued and available by Fast Automated Securities Transfer for delivery through the facilities of DTC in New York, New York, on or about June 4, 2015.

RBC Capital Markets

\$ _____
Alaska Municipal Bond Bank
General Obligation Refunding Bonds
2015 Series Two
consisting of:

2015A Series Two
(Non-AMT)

MATURITIES, AMOUNTS, INTEREST RATES, YIELDS AND CUSIP NUMBERS

Due March 1	Amount	Interest Rate	Yield	CUSIP Number⁽¹⁾ 01179R	Due March 1	Amount	Interest Rate	Yield	CUSIP Number⁽¹⁾ 01179R
2015	\$	%	%		2025	\$	%	%	
2016					2026				
2017					2027				
2018					2028				
2019					2029				
2020					2030				
2021					2031				
2022					2034				
2023					2035				
2024									

\$ _____ % Term Bond due March 1, 20__; yield ____%
CUSIP Number 01179R ____

2015B Series Two
(AMT)

MATURITIES, AMOUNTS, INTEREST RATES, PRICES AND CUSIP NUMBERS

Due March 1	Amount	Interest Rate	Yield	CUSIP Number⁽¹⁾ 01179R	Due March 1	Amount	Interest Rate	Yield	CUSIP Number⁽¹⁾ 01179R
2015	\$	%	%		2025	\$	%	%	
2016					2026				
2017					2027				
2018					2028				
2019					2029				
2020					2030				
2021					2031				
2022					2034				
2023					2035				
2024									

\$ _____ % Term Bond due March 1, 20__; yield ____%
CUSIP Number 01179R ____

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* Calculated to the first par call date of _____ 1, 20__.

This Official Statement is furnished by the Bond Bank to provide information regarding the sale of the 2015 Series Two Bonds referred to herein and may not be reproduced or be used, in whole or in part, for any other purpose. The delivery of this Official Statement does not imply that information herein is correct as of any time subsequent to the date hereof. No dealer, salesman or any other person has been authorized by the Bond Bank or the Underwriters to give any information or to make any representation other than as contained in this Official Statement in connection with the offering described herein and, if given or made, such other information or representation must not be relied upon as having been authorized by the foregoing. This Official Statement does not constitute an offer of any securities other than those described on the cover page or an offer to sell or a solicitation of an offer to buy in any jurisdiction in which it is unlawful to make such an offer, solicitation, or sale.

The information and expressions of opinion set forth in this Official Statement have been furnished by the Bond Bank and include information from other sources that the Bond Bank believes to be reliable. Neither this Official Statement nor any statement which may have been made orally is to be construed as a contract with the owners of any of the 2015 Series Two Bonds.

The Underwriters have provided the following sentence for inclusion in this Official Statement. The Underwriters have reviewed the information set forth in this Official Statement in accordance with, and as part of, their responsibilities to investors under the federal securities laws as applied to the facts and circumstances of this transaction, but the Underwriters do not guarantee the accuracy or completeness of such information.

UPON ISSUANCE, THE 2015 SERIES TWO BONDS WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND WILL NOT BE LISTED ON ANY STOCK OR OTHER SECURITIES EXCHANGE. NEITHER THE SECURITIES AND EXCHANGE COMMISSION NOR ANY OTHER FEDERAL, STATE, OR OTHER GOVERNMENTAL ENTITY OR AGENCY, OTHER THAN THE BOND BANK, WILL HAVE PASSED ON THE ACCURACY OR DETERMINED THE ADEQUACY OF THIS OFFICIAL STATEMENT OR APPROVED THE 2015 SERIES TWO BONDS FOR SALE. THE 2005 GENERAL BOND RESOLUTION WILL NOT BE QUALIFIED UNDER THE TRUST INDENTURE ACT OF 1939, AS AMENDED.

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ALASKA MUNICIPAL BOND BANK
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Mark Pfeffer - Chair
Luke Welles - Vice Chair
Gregory Gurse - Member
Chris Hladick - Member
(Michael Lamb - First Delegate to Chris Hladick)
Randall Hoffbeck - Member
(Pamela Leary - First Delegate to Randall Hoffbeck)

Executive Director

Deven J. Mitchell

Bond Counsel

Wohlforth, Brecht, & Cartledge, APC
Anchorage, Alaska

Trustee

The Bank of New York Mellon Trust Company, N.A.
Seattle, Washington

Financial Advisor

Western Financial Group, LLC
Portland, Oregon

The reference above to the Bond Bank's website is contact information provided only for convenience. The reference is not a hyperlink and, by this reference, the Bond Bank's website is not incorporated into this Official Statement.

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OFFICIAL STATEMENT

\$ _____
**ALASKA MUNICIPAL BOND BANK
GENERAL OBLIGATION BONDS
2015 SERIES TWO**

Consisting Of

\$ _____
General Obligation and Refunding Bonds
2015A Series Two
(Non-AMT)

\$ _____
General Obligation Bonds
2015B Series Two
(AMT)

INTRODUCTION

This Official Statement is furnished by the Alaska Municipal Bond Bank (the "Bond Bank") to provide information regarding the Bond Bank in connection with the sale of its \$ _____ principal amount of General Obligation and Refunding Bonds, 2015A Series Two (Non-AMT) (the "2015A Series Two Bonds") and \$ _____ principal amount of General Obligation Bonds, 2015B Series Two (AMT) (the "2015B Series Two Bonds", and together with the 2015A Series Two Bonds, the "2015 Series Two Bonds"). The Bond Bank was created pursuant to Alaska Statutes 44.85.005 – 44.85.420, as amended (the "Act"), for the primary purpose of lending money to Governmental Units in the State of Alaska (the "State") including the purchase of Municipal Bonds issued by such Governmental Units. Certain capitalized terms used in this Official Statement, and not otherwise defined herein, are defined under "DEFINITIONS."

All references herein to agreements and documents are qualified in their entirety by reference to the definitive forms thereof, and all references to the 2015 Series Two Bonds are further qualified by reference to the information with respect thereto contained in the 2005 General Obligation Bond Resolution, adopted by the Board of Directors of the Bond Bank on July 13, 2005, as amended (the "2005 General Bond Resolution"), and Series Resolution No. 2015-Two adopted by the Board of Directors of the Bond Bank on April 9, 2015 (the "Series Resolution," and together with the 2005 General Bond Resolution, the "Bond Resolution"). All bonds which are issued under and pursuant to the terms of the 2005 General Bond Resolution are hereafter referred to as the "Bonds." Any statements or information which include matters of opinion or estimates are represented as opinions or estimates in good faith, but no assurance can be given that the facts will materialize as so opined or estimated.

Appendix D contains financial, economic and demographic summary information relating to the Governmental Units whose Municipal Bonds represent 10 percent or more of the Loan Obligations outstanding under the 2005 General Bond Resolution.

PURPOSE OF THE 2015 SERIES TWO BONDS

Authorization and Purpose

The 2015 Series Two Bonds are being issued pursuant to the terms of the Bond Resolution, and are the thirty-second series of Bonds issued under the 2005 General Bond Resolution.

2015A Series Two Bonds.

The 2015A Series Two Bond proceeds are being used for the following purposes: (i) to make three loans to Governmental Units for new money purposes; (ii) to refund bonds previously issued by the Bond Bank; and (iii) to pay a portion of the costs of issuance of the 2015A Series Two Bonds. The 2015A Series Two Bond

proceeds used for new money purposes include: (i) a loan to the City and Borough of Juneau, Alaska ("Juneau") to refinance general obligation bonds issued by Juneau in 2005; (ii) a loan to the City of Cordova for construction of a community center; and (iii) a loan to the Municipality of Skagway, Alaska ("Skagway") to finance a public safety building.

Refunding. A portion of the proceeds of the 2015A Series Two Bonds is being used to refund and redeem certain outstanding bonds of the Bond Bank (the "Refunded Bonds") which are listed in the table below.

DETAILS OF THE REFUNDING CANDIDATES

<u>Series Designation</u>	<u>Principal Amount¹</u>	<u>Maturities</u>	<u>Redemption Date</u>
2007 Series Three	\$7,865,000 ²	September 1, 2018 to September 1, 2032	September 1, 2017
2007 Series Four	8,890,000 ²	September 1, 2018 to September 1, 2027	September 1, 2017
2008 Series One	22,750,000 ²	April 1, 2019 to April 1, 2033	April 1, 2018
2008 Series Two	9,125,000 ²	June 1, 2016 to June 1, 2038	June 1, 2018
2009 Series Two	955,000	February 1, 2024 and February 1, 2029	February 1, 2019

(1) All Refunded Bonds subject to call are callable at a price of par on the redemption date.

(2) Reflects partial redemption of certain maturities.

Refunding Plan

A portion of the net proceeds from the sale of the 2015A Series Two Bonds, together with other legally available funds, will be deposited into a redemption account (the "Redemption Account") to be held by The Bank of New York Trust Company, N. A., San Francisco, California, (the "Escrow Agent") under an escrow deposit agreement (the "Escrow Deposit Agreement"), dated the date of delivery of the 2015 Series Two Bonds, between the Bond Bank and the Escrow Agent. Funds deposited in the Redemption Account will be used to purchase direct obligations of, or obligations on which the principal and interest are unconditionally guaranteed by, the United States of America (the "Escrow Obligations"). The Escrow Obligations will mature at such times and pay interest in such amounts so that, with other available funds held by the Escrow Agent under the Escrow Deposit Agreement, sufficient moneys will be available to pay the interest on the Refunded Bonds coming due on and prior to their respective redemption or purchase dates and to pay the redemption price of the Refunded Bonds on their redemption dates. See "VERIFICATION OF MATHEMATICAL COMPUTATIONS."

2015B Series Two Bonds

The 2015B Series Two Bond proceeds are being used for the following purposes: (i) to make a loan to Juneau to finance capital improvements to Juneau's cruise ship dock; (ii) to make a loan to Municipality of Skagway, Alaska ("Skagway") to finance capital improvements to Skagway's docking facilities to increase industrial and tourist capacity at the Port of Skagway; and (ii) to pay a portion of the costs of issuance of the 2015B Series Two Bonds.

SOURCES AND USES TABLE

The table below presents the sources and uses of funds related to the 2015 Series Two Bonds.

Sources of Funds:	<u>2015A</u>	<u>2015B</u>	<u>Total</u>
Par Amount of 2015 Series Two Bonds	\$	\$	\$
Net Original Issue Premium			
Alaska Municipal Bond Bank Contribution			
Total Sources of Funds	<u>\$</u>	<u>\$</u>	<u>\$</u>
Uses of Funds:			
Deposit to Redemption Account	\$		\$
Loan to the City of Cordova			
Loan to the City and Borough of Juneau			
Loan to the Municipality of Skagway			
Deposit to the Bond Bank Reserve Fund			
Costs of Issuance ¹			
Underwriters' Discount			
Total Uses of Funds	<u>\$</u>	<u>\$</u>	<u>\$</u>

(1) Includes Governmental Units costs of issuance.

DESCRIPTION OF THE 2015 SERIES TWO BONDS

General Description

The 2015 Series Two Bonds are issuable only as fully registered bonds, registered in the name of Cede & Co., as nominee for The Depository Trust Company, New York, New York (“DTC”), as securities depository for the 2015 Series Two Bonds. Principal of and interest on the 2015 Series Two Bonds are payable by The Bank of New York Mellon Trust Company, N.A., of Seattle, Washington, as Trustee under the 2005 General Bond Resolution, to DTC which, in turn, is obligated to disburse such principal and interest payments to its participants (the “DTC Participants”) in accordance with DTC procedures. See “Appendix G – DTC and Book-Entry System.”

2015 Series Two Bonds

The 2015 Series Two Bonds mature on the dates and bear interest at the rates set forth on the inside cover page of this Official Statement. The 2015 Series Two Bonds are issuable in denominations of \$5,000 or any integral multiple thereof within a single maturity of a sub-series, are dated as of the date of delivery and bear interest from their date payable on September 1, 2015, and semiannually thereafter on each March 1 and September 1 to their date of maturity or prior redemption, whichever may occur first.

Optional Redemption

2015A Series Two Bonds. The 2015A Series Two Bonds maturing on or after March 1, 2025 are subject to redemption in whole or in part at the option of the Bond Bank on any date on or after March 1, 2026 at a price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption. The Governmental Units may prepay their loans on terms identical to the optional redemption provisions associated with the 2015A Series Two Bonds.

2015B Series Two Bonds. The 2015B Series Two Bonds maturing on or after March 1, 2025 are subject to redemption in whole or in part at the option of the Bond Bank on any date on or after March 1, 2026 at a price of 100% of the principal amount thereof to be redeemed plus accrued interest to the date fixed for redemption. The Governmental Unit may prepay its loans on terms identical to the optional redemption provisions associated with the 2015B Series Two Bonds.

Mandatory Redemption

2015A Series Two Bonds. The 2015A Series Two Bonds maturing on March 1, 20__, are subject to mandatory sinking fund redemption on March 1 of the years and in the principal amounts set forth in the following table. Any such redemption shall be at a price equal to 100 percent of the principal amount to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption, but without premium.

<u>Date</u>	<u>Principal Amount</u>
March 1, 20__	\$
March 1, 20__*	

* Maturity

2015B Series Two Bonds. The 2015B Series Two Bonds maturing on March 1, 20__, are subject to mandatory sinking fund redemption on March 1 of the years and in the principal amounts set forth in the following table. Any such redemption shall be at a price equal to 100 percent of the principal amount to be redeemed plus accrued and unpaid interest thereon to the date fixed for redemption, but without premium.

<u>Date</u>	<u>Principal Amount</u>
March 1, 20__	\$
March 1, 20__*	

* Maturity

Notice of Redemption

At least 30 days, but not more than 60 days, prior to the date upon which any 2015 Series Two Bonds are to be redeemed, the Trustee will mail a notice of redemption to the registered owner of any 2015 Series Two Bond all or a portion of which is to be redeemed, at the owner's last address appearing on the registration books of the Bond Bank kept by the Trustee. When all of the 2015 Series Two Bonds are held under the DTC book-entry system, such notice will be sent to DTC, and any notice to the beneficial owners of the 2015 Series Two Bonds will be the responsibility of DTC Participants. Neither the Bond Bank nor the Trustee will provide redemption notices to the beneficial owners.

Selection of 2015 Series Two Bonds for Redemption

If fewer than all of a sub-series of the 2015 Series Two Bonds are to be redeemed prior to maturity, the Bond Bank may select the maturity or maturities of such sub-series to be redeemed at the option of the Bond Bank. If, at the time notice of redemption is given the 2015 Series Two Bonds are in book-entry form, then DTC will select the 2015 Series Two Bonds for redemption within a maturity of a sub-series in accordance with the Letter of Representations. The 2005 General Bond Resolution provides that if less than all of the Bonds of any one maturity of a Series are called for redemption and the Bonds are not in book-entry form, the Bonds to be redeemed are to be selected by lot by the Trustee or in any manner as the Trustee, in its sole discretion, may deem appropriate and fair. See "Appendix G – DTC and Book-Entry System."

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SECURITY FOR THE 2015 SERIES TWO BONDS

General

The 2015 Series Two Bonds constitute general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged to the payment of the principal of and interest on the 2015 Series Two Bonds. **The 2015 Series Two Bonds do not constitute an indebtedness or other liability of the State of Alaska, and the 2015 Series Two Bonds do not directly, indirectly or contingently obligate the State of Alaska to levy any form of taxation or make any appropriation for the payment of the 2015 Series Two Bonds. Neither the faith and credit nor the taxing power of the State of Alaska is pledged for the payment of the 2015 Series Two Bonds. The Bond Bank has no taxing power.**

As of May 1, 2015, the Bond Bank has outstanding \$2,520,000 of general obligation bonds issued under its 1976 General Bond Resolution, \$895,415,000 of Bonds issued under its 2005 General Bond Resolution and \$4,295,000 of general obligation bonds issued under its 2010 Municipal Obligation Bond Resolution.

As additional security for payment of principal of and interest on the 2015 Series Two Bonds and other Bonds issued under the 2005 General Bond Resolution, the Bond Bank has established a common Reserve Fund. See “SECURITY FOR THE 2015 SERIES TWO BONDS – 2005 General Bond Resolution Reserve Fund.” The Act provides that in order to ensure the maintenance of the Reserve Fund Requirement, the Chair of the Bond Bank is annually required (before each January 30) to make and deliver to the Governor and to the State Legislature a certificate stating the amount, if any, required to restore the Reserve Fund to the amount of the Reserve Fund Requirement. Money received by the Bond Bank from the State pursuant to such certification will, to the extent such certification was occasioned by the fact that the amount in the Reserve Fund was less than the Reserve Fund Requirement, be deposited in the Reserve Fund. The State Legislature is legally authorized, but not legally obligated, to appropriate such sums during the then current State fiscal year. This provision of the Act does not create a debt obligation on behalf of the State or a legally enforceable obligation of the State.

Beginning in 2009, and continuing through the current fiscal year 2015, the Bond Bank has been obligated to seek and has obtained a standing appropriation within the State’s annual operating budget to replenish the Reserve Fund, if necessary. The 2005 General Bond Resolution requires the Bond Bank to seek this standing appropriation on annual basis. No such replenishment from State appropriation has been necessary. If the Bond Bank must draw on the Reserve Fund because of a default by a Governmental Unit, the standing appropriation provides that an amount equal to the amount drawn from the Reserve Fund is appropriated from the State’s General Fund to the Reserve Fund. There is no guarantee that the Bond Bank will be able to secure future standing appropriations within the State’s operating budget for replenishment of the Reserve Fund.

Pledge Effected by the 2005 General Bond Resolution

Pursuant to the 2005 General Bond Resolution, all Municipal Bonds, all Municipal Bonds Payments, the investments thereof and the proceeds of such investments, and all funds and accounts established by the 2005 General Bond Resolution, are pledged and assigned to the Trustee, equally and ratably, to secure the payment of the principal of, redemption premium, if any, and interest on all Bonds, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions specified in the 2005 General Bond Resolution.

The Act and the 2005 General Bond Resolution provide among other things that (i) any pledge made in respect of the Bonds will be valid and binding from the time the pledge is made, (ii) the Municipal Bonds, the Municipal Bonds Payments and all other money and securities so pledged and thereafter received by the Bond Bank immediately will be subject to the lien of such pledge without any further act, and (iii) the lien of any such pledge will be valid and binding against all parties having any claims of any kind in tort, contract or otherwise against the Bond Bank irrespective of whether the parties have notice.

Municipal Bonds

Under the provisions of the Act and the 2005 General Bond Resolution, the Bond Bank can purchase Municipal Bonds from any Governmental Unit. The 2005 General Bond Resolution defines Municipal Bonds as “general obligation bonds, revenue bonds, notes or other evidences of debt issued by any Governmental Unit as now or hereafter defined in the Act which have heretofore been or will hereafter be acquired by the Bond Bank as evidence of a Loan to the Governmental Unit pursuant to the Act.”

For each issue of Municipal Bonds that the Bond Bank purchases, the Bond Bank will obtain a bond counsel’s opinion stating that (a) such Municipal Bonds are valid debt obligations of such Governmental Unit as required by the Act and (b) a Loan Agreement has been duly authorized and executed between the Bond Bank and the Governmental Unit that constitutes a valid and binding obligation of the Governmental Unit.

Each Loan Agreement obligates a Governmental Unit to (a) make interest payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet interest payments on its Loan Obligations as they become due; and (b) make principal payments on its Municipal Bond sufficient in amount and at such times to provide the Bond Bank funds to meet principal payments on its Loan Obligations as they become due. Pursuant to the Loan Agreement, the Governmental Unit may be required to pay fees and charges to the Bond Bank to meet the Governmental Unit’s allocable portion of certain expenses. Each Loan Agreement also contains restrictions on the sale or redemption of Municipal Bonds.

2005 General Bond Resolution Reserve Fund

The 2005 General Bond Resolution established the Reserve Fund to be held by the Trustee and maintained at an amount equal to the Reserve Fund Requirement. The Reserve Fund Requirement is equal to the least of the following: (i) 10% of the initial principal amount of each Series of Bonds then Outstanding; (ii) Maximum Annual Debt Service with respect to all Bonds Outstanding; (iii) 125% of Average Annual Debt Service on all Bonds Outstanding; or (iv) such lower amount as may be required by law. See “DEFINITIONS – Required Debt Service Reserve.” The Reserve Fund has been funded with Bond proceeds and cash deposits from the Bond Bank. The Reserve Fund does not contain any surety policies or other forms of liquidity facility. The Reserve Fund Requirement may, however, be satisfied entirely, or in part, by a letter of credit, line of credit, credit facility, surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds. As of May 1, 2015, the accreted valuation of assets in the Reserve Fund was approximately \$ [REDACTED] million (unaudited), an amount sufficient to satisfy the Reserve Fund Requirement. As of that date, approximately [REDACTED] % of the assets in the Reserve Fund were funded from cash deposits by the Bond Bank from the Custodian Fund or from transfers from the 1976 Resolution Reserve Fund.

The 2005 General Bond Resolution requires the Bond Bank to annually submit to the State a budget request for an appropriation to replenish the Reserve Fund to the Reserve Fund Requirement in the event that there is a deficiency as a result of a default by a borrower. Since 2009, and continuing through fiscal year 2015, the State has included in its operating budget a standing appropriation to replenish the Reserve Fund, if necessary. While the Bond Bank has been obligated to seek and has obtained such a standing appropriation within the State’s annual operating budget, the State is not obligated, legally or otherwise, to include the appropriation in its annual operating budget. This credit feature is in addition to the moral obligation feature discussed below.

On or before December 31 of each year, and subject to the requirements of the 2005 General Bond Resolution, the Trustee will transfer from the Reserve Fund any amounts remaining in the Reserve Fund derived from income or interest earned and profits realized by the Reserve Fund due to investments thereof to the Operating Fund, but only to the extent that there remains after such transfer an amount in the Reserve Fund equal to the Required Debt Service Reserve. See “SUMMARY OF THE 2005 GENERAL BOND RESOLUTION – Funds and Accounts – Reserve Fund.”

Moral Obligation. The Bond Bank is required to deliver a statement to the Governor and the State Legislature annually, before January 30, stating the amount, if any, necessary to restore the Reserve Fund to the Required Debt Service Reserve resulting from a draw on the Reserve Fund at any time during the prior year. The State Legislature may, but is under no legal obligation to, appropriate money sufficient to restore the Reserve Fund to the Required Debt Service Reserve. The Bond Bank has never reported a deficiency in any of the reserve funds held by the Bond Bank.

Custodian Account. Money not held by the Trustee in the Reserve Fund or in reserves for bonds issued under other bond resolutions is maintained by the Bond Bank in an account herein referred to as the Custodian Account (the “Custodian Account”). The Custodian Account contains direct and indirect State appropriations, prior year retained earnings not subject to the statutory annual earnings transfer, and current year investment earnings. As of June 30, 2014, the Custodian Account cash and cash equivalents and investments at fair value balance (audited) was \$17,773,506. As of May 1, 2015 the Custodian Account market value balance (unaudited) was \$_____.

The Act requires that earnings on funds directly appropriated by the State to the Bond Bank be transferred to the State in the following fiscal year. However, starting in fiscal year 2009, and continuing through fiscal year 2015, all fiscal year earnings due to the State’s general fund by statute have been appropriated to the Bond Bank’s Custodian Account. The State Legislature may, but is under no legal obligation to, appropriate statutory earnings back to the Bond Bank. The entire Custodian Account balance is available for appropriation by the State Legislature, with a majority vote and the Governor’s concurrence or a three-quarter majority vote to overcome a Governor’s veto of the appropriation, during any Legislative session. The Legislature has not appropriated funds out of the Custodian Account for non-Bond Bank related purpose in the current, or any prior fiscal year.

State Payments

The Act provides that any department or agency of the State, after notice from the Bond Bank that a Governmental Unit is in default on the payment of the principal of or interest on its Municipal Bonds then held or owned by the Bond Bank, will withhold the payment of money held by it and payable to such Governmental Unit and pay over such money to the Bond Bank for the purpose of paying principal of and interest on the bonds of the Bond Bank. State payments to Governmental Units include payments through the School Debt Reimbursement Program and Education Support Funding through the Department of Education and Early Development; and community jail funding through the Department of Corrections. A table appears in Appendix B that presents the amount of State payments to communities that have borrowed from the Bond Bank as well as the maximum annual loan payments and associated estimated coverage provided by those State payments. There is no guarantee that State payments will continue or remain at the current levels.

The payment and amount of such State payments is uncertain, and Legislative authorization for such payments is subject to appropriation and amendment or repeal. See “APPENDIX B – STATE PAYMENTS TO GOVERNMENTAL UNITS.” The Bond Bank has never implemented the State payment intercept remedy.

Pledge of the State

Pursuant to the Act, the State has pledged and agreed with the holders of the Bonds that it will not limit or restrict the rights vested in the Bond Bank by the Act to, among other things, purchase, hold and dispose of Municipal Bonds and fulfill the terms of an agreement (including the 2005 General Bond Resolution) made by the Bond Bank with such holders, or in any way impair the rights or remedies of such holders until the Bonds, including interest on the Bonds and interest on unpaid installments of interest and all costs and expenses in connection with an action or proceeding by or on behalf of such holders, are fully met, paid and discharged.

THE ALASKA MUNICIPAL BOND BANK

Organization

The powers of the Bond Bank are vested in the Directors. The membership of the Bond Bank consists of five Directors: the Commissioners of the Department of Revenue and the Department of Commerce, Community and Economic Development of the State and three Directors appointed by the Governor. The three appointees serve four-year staggered terms and must be qualified voting residents of the State. The Commissioners of the Department of Revenue and the Department of Commerce, Community and Economic Development may appoint delegates to the Bond Bank Board of Directors to serve in their absence.

Per statute, the Directors elect one of their members as chair and one of their members as vice-chair and also elect a secretary and treasurer who need not be Directors in the first meeting of each fiscal year. Action may be taken and motions and resolutions adopted by the Bond Bank at any meeting by the affirmative vote of at least three Directors. The Directors appoint an Executive Director to manage the business of the Bond Bank.

Board of Directors

The Bond Bank's Board of Directors includes members listed below.

Mark Pfeffer - Chair. Term expires July 15, 2017. Mr. Pfeffer was originally appointed to the Board on October 10, 2001. Mr. Pfeffer is a registered architect who owns an architectural practice in Anchorage, Alaska. He is active in the development, design and management of commercial real estate projects, many of which include public/private partnerships. He is President of Pfeffer Development, LLC. Mr. Pfeffer received a Bachelor of Architecture Degree from the University of Nebraska in 1980.

Luke Welles - Vice-Chair. Term expires July 15, 2015. Mr. Welles was originally appointed to the Board on May 21, 2008. Mr. Welles became Vice President of Finance of the Arctic Slope Native Association, Ltd in March 2011. Prior to his current job he served as Chief Financial Officer of LifeMed Alaska, LLC, which provides medivac services in Alaska. Previously, Mr. Welles was the Chief Financial Officer for the Yukon Kuskokwim Healthcare Corporation which administers healthcare in 52 rural communities including a hospital located in Bethel, Alaska. He has management experience in healthcare, civil construction and commercial real estate. Over the past 15 years he has served on several economic development commissions in the State, as a city council member in Homer, Alaska and on multiple boards. Mr. Welles received a Bachelor of Arts Degree in Foreign Service and International Business from Baylor University in 1989.

Gregory Gursey - Member. Term expires July 15, 2018. Mr. Gursey was appointed to the Board on June 22, 2009. Mr. Gursey became President of Benefit Brokers, Inc. in 2001, after working as Vice President of Investments for Wedbush Morgan Securities for 11 years. Mr. Gursey also serves as a FINRA industry arbitrator in both civil and industry arbitration cases. After graduating from the University of Alaska Anchorage with a degree in finance, Mr. Gursey became involved with the University of Alaska Foundation. He served as the first Chairman of the UAA College of Fellows, served as a Trustee to the UA Foundation, and was a member of the Investment Committee to the UA Foundation. Mr. Gursey has served on both the State of Alaska Dental Examiner's Board and the U.S. Treasury Department's Taxpayer Advocacy Panel. He served on the Investment Commission for the Municipality of Anchorage and several other local boards.

Michael Lamb - Member. Mr. Lamb is the first delegate for Chris Hladick, Commissioner of the Department of Commerce, Community and Economic Development. Mr. Lamb is a certified public accountant with over 25 years' experience as a chief financial officer and has worked in private, public, and governmental financial management positions. He has served as the chief financial officer for the Alaska Industrial Development and Export Authority and the Alaska Energy Authority. Prior to that, for almost 15 years Mr. Lamb was the chief financial officer for the Fairbanks North Star Borough, Alaska. For almost 9 years, prior to the

Borough, he was the chief financial officer for the City of St. Paul, Alaska. Mr. Lamb is a graduate from the University of Washington, School of Business with a Bachelor of Arts in Business Administration, with an emphasis in accounting.

Pamela Leary - Member. Ms. Leary is the first delegate for Randall Hoffbeck, Commissioner of the Department of Revenue. She is the Director of Treasury Division in the Department of Revenue and acts as the State Treasurer. She previously served in the Department as State Comptroller from 2007 through 2013. Ms. Leary began her career as an auditor with Price Waterhouse and became a partner in the firm PricewaterhouseCoopers. After moving to Alaska, Leary owned and operated a business before reentering the accounting profession with the Alaska Permanent Fund Corporation. She holds a bachelor's degree in economics from the Wharton School, University of Pennsylvania, and is a certified public accountant in the State of Alaska.

Management

Deven J. Mitchell, who also serves as State Debt Manager and Investment Officer in the Department of Revenue – Division of Treasury, was appointed Executive Director of the Bond Bank in 1999. Mr. Mitchell has worked for the State Department of Revenue since 1992. He previously held several positions in Alaska financial institutions. Mr. Mitchell holds a Bachelor of Science Degree in Business Administration from Northern Arizona University.

Rather than employ staff, the Bond Bank contracts in the private sector for a wide range of professional services. The Executive Director coordinates the activities of these professionals, which include bond counsel, financial advisor, accountants, auditors, fund trustees, bond trustees and investment managers.

Future Financing Plans

The Bond Bank anticipates issuing additional bonds pursuant to its 2005 General Bond Resolution or other bond resolutions within the next 12 months. The principal amount of such additional bonds depends on the number and size of the applications for Bond Bank financing from Governmental Units.

The 28th Alaska Legislature passed Senate Bill 218 ("SB 218"), which authorizes the Bond Bank to make a loan(s) to the University of Alaska in a principal amount not to exceed \$87.5 million for purposes of financing a portion of the design, construction, acquisition and construction of a new heat and power plant located at the University of Alaska Fairbanks.

The total amount of Bond Bank bonds and notes outstanding at any one time may not exceed \$1.588 billion. As of May 1, 2015, the total principal amount of the Bond Bank's bonds and notes outstanding, not including the 2015 Series Two Bonds, was \$912,652,144.

Debt Payment Record

The Bond Bank has always made principal and interest payments on its general obligation and revenue bonds when due. No deficiencies have arisen in any Bond Bank debt service fund or reserve fund, nor has there been a need to exercise the provision requiring that State payments to Governmental Units be paid to the Bond Bank.

BONDS OUTSTANDING

Under the provisions of the Act, the Bond Bank can issue additional series of Bonds under its 2005 General Bond Resolution or issue bonds under other resolutions. The Bond Bank currently has bonds outstanding under the following resolutions:

1976 General Bond Resolution

As of May 1, 2015, the Bond Bank has issued \$721,985,000 of general obligation bonds under the 1976 General Bond Resolution, \$2,520,000 of which remain outstanding.

2005 General Bond Resolution

The 2015 Series Two Bonds are the thirty-second issue of Bonds under the 2005 General Bond Resolution. As of May 1, 2015, the Bond Bank has issued \$1,086,790,000 of general obligation bonds under the 2005 General Bond Resolution (not including the principal amount of the 2015 Series Two Bonds), \$895,415,000 of which remains outstanding.

2010 Municipal Obligation Bond Resolution

On November 2, 2010, the Bond Bank's Board of Directors approved the 2010 Municipal Obligation Bond Resolution ("2010 Resolution"). Bonds issued pursuant to the terms of the 2010 Resolution are general obligation bonds, equally and ratably secured by a pledge and assignment of all obligations acquired by the Bond Bank under the 2010 Resolution. As of May 1, 2015, the Bond Bank has issued \$4,765,000 of general obligation bonds under the 2010 Resolution, \$4,295,000 of which remains outstanding.

Revenue Bond Resolutions

The Authority (with respect to the issuance of revenue bonds the Bond Bank is referred to as the Authority) has issued revenue bonds under stand-alone revenue bond resolutions. The proceeds of these revenue bonds are applied toward the purchase of revenue bonds issued by municipal borrowers. A list of the outstanding revenue bond resolutions, amount of bonds outstanding and obligated municipal borrowers appears in the table titled "TOTAL BOND BANK BONDS ISSUED AND OUTSTANDING AS OF MAY 1, 2015" herein.

Coastal Energy Impact Program

The Bond Bank issued bonds to provide loans to local governments that qualified for aid under the Coastal Energy Impact Program ("CEIP"). CEIP is a federal program designed to provide financial assistance to coastal states and municipalities facing impacts from offshore oil development. The United States Department of Commerce, National Oceanic and Atmospheric Administration ("NOAA") and the Bond Bank entered into an agreement whereby the Bond Bank was the direct lending agency for the CEIP in the State, with \$50 million available to make loans to local governments or to establish reserves for loans to local governments.

The Bond Bank issued CEIP bonds, the proceeds of which were used to purchase bonds issued by the Kenai Peninsula Borough, the City of Seward, the City of Nome and the City of St. Paul. The total amount of CEIP bonds outstanding as of May 1, 2015, under the Coastal Energy Impact Loan Program was \$10,422,144, consisting of loans to the City of St. Paul and the City of Nome.

The CEIP loans are administered directly by NOAA without involvement of the Bond Bank. Bonds issued for the CEIP are not secured by a pledge of any amounts held by or payable to the Bond Bank under the 2005

General Bond Resolution, including the Reserve Fund, nor are they secured directly or indirectly by any reserve account created under the Act.

Direct Loans

The Bond Bank has purchased certain bond anticipation notes and defeased certain Bond Bank bonds with money from the Custodian Account while retaining underlying communities' bonds.

As of May 1, 2015, the Bond Bank holds \$1,535,731 of City of Galena Utility Revenue Bonds and \$167,110 of City of Galena appropriation obligations in its financial portfolio. The loans to the City of Galena are the result of Legislative appropriation to the Bond Bank specifically for this purpose.

Loans by the State of Alaska

The Bond Bank has the statutory authority to borrow funds from the State of Alaska's general fund at the discretion of the Commissioner or the Department of Revenue. In November 2010 and August 2011 the Bond Bank borrowed \$6.0 million and \$7.0 million, respectively from the State for authorized uses of the Bond Bank. The State of Alaska's fiscal year 2013 capital budget converted the 2010 and 2011 loans to grants through a \$13.2 million appropriation to the Bond Bank that was effective April 15, 2012. This amount reflected the original loan amounts plus interest accrued on those loans. The Bond Bank does not have any outstanding loans from the State at this time.

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TOTAL BOND BANK BONDS ISSUED AND OUTSTANDING AS OF MAY 1, 2015**[TO BE UPDATED]**

	<u>Original Amount Issued</u>	<u>Amount Outstanding</u>
I. Total 2005 General Bond Resolution G.O. Bonds ⁽¹⁾	\$1,086,790,000 ⁽¹⁾	\$895,415,000 ⁽¹⁾
II. Total 1976 General Bond Resolution G.O. Bonds	721,985,000	2,520,000
III. Total 2010 Resolution G.O. Bonds	4,765,000	4,295,000
IV. Coastal Energy Impact Loan Program	35,456,046	10,422,144

REMAINING DEBT CAPACITY AFTER THE ISSUANCE OF THE 2015 SERIES TWO BONDS

Debt Limit (Section 44.85.180 of the Act)		\$1,587,500,000 ⁽²⁾
Less Outstanding Bonds		
General Obligation Bonds		
1976 General Bond Resolution	\$2,520,000	
2010 Resolution	4,295,000	
2005 General Bond Resolution	895,415,000 ⁽¹⁾	\$902,230,000 ⁽¹⁾
Coastal Energy Loan Program		<u>10,422,144</u>
Total Outstanding Debt		\$912,652,144 ⁽¹⁾
Remaining Debt Capacity		<u>\$674,847,856⁽¹⁾</u>

(1) Includes the 2015 Series Two Bonds.

(2) The limit applies to all outstanding bonds or notes issued by the Bond Bank.

**DEBT SERVICE REQUIREMENTS OF
OUTSTANDING 2005 GENERAL BOND RESOLUTION
GENERAL OBLIGATION BONDS
AND THE 2015 SERIES TWO BONDS⁽¹⁾
(Fiscal Years Ending June 30)**

Fiscal Year	Existing Debt Service	2015A Series Two Principal	2015A Series Two Interest	2015B Series Two Principal	2015B Series Two Interest	Total Debt Service
2015		\$	\$	\$	\$	\$
2016						
2017						
2018						
2019						
2020						
2021						
2022						
2023						
2024						
2025						
2026						
2027						
2028						
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2047						
2048						
2049						
	\$	\$	\$	\$	\$	\$

(1) Totals may not foot due to rounding. The 2015 Series Two Bonds are the thirty-second Series of Bonds issued under the 2005 General Bond Resolution.

SUMMARY OF THE 2005 GENERAL BOND RESOLUTION

The following is a summary of certain provisions of the 2005 General Bond Resolution. For a complete statement of the provisions or contents of the 2005 General Bond Resolution, see Appendix F. Words and terms used in this summary are defined in the above-mentioned document and will have the same meanings herein as contained in that document, except as defined in this Official Statement.

2005 General Bond Resolution Constitutes Contract

The 2005 General Bond Resolution constitutes a contract between the Bond Bank, the Trustee and the owners of the Bonds, and the pledges made in the 2005 General Bond Resolution and the covenants and agreements therein set forth to be performed by the Bond Bank will be for the equal and proportionate benefit, protection and security of the holders of any and all of the Bonds, all of which will be of equal rank without preference, priority or distinction.

Obligation of Bonds

The Bonds are general obligations of the Bond Bank, and the full faith and credit of the Bond Bank are pledged for the payment of the principal or redemption price of, interest on and sinking fund installments for, the Bonds solely from the sources provided in the 2005 General Bond Resolution and any Series Resolution. The State will not be liable for payment on the Bonds, and the Bonds will not be a debt or liability, or constitute a pledge or loan of the faith and credit of the State.

Pledge

The Municipal Bonds and the Municipal Bonds Payments, the investments thereof and the proceeds of such investments, if any, and all funds and accounts established by the 2005 General Bond Resolution to be held by the Trustee are pledged and assigned for the payment of the principal of, redemption price of, interest on, and sinking fund installments for, the Bonds in accordance with the terms and provisions of the 2005 General Bond Resolution, subject only to the provisions of the 2005 General Bond Resolution permitting the application thereof for the purposes and on the terms and conditions set forth in the 2005 General Bond Resolution. The Municipal Bonds and the Municipal Bonds Payments and all other money and securities pledged pursuant to the 2005 General Bond Resolution immediately will be subject to the lien of such pledge without any further act, and such lien will be valid and binding as against all parties having claims of any kind in tort, contract or otherwise against the Bond Bank, regardless of whether such parties have notice thereof.

Power to Issue Bonds and Make Pledges

The Bond Bank covenants that it is duly authorized by law to issue the Bonds and to pledge the Municipal Bonds Payments, the Municipal Bonds and other money, securities, funds and property purported to be pledged by the 2005 General Bond Resolution which will be free and clear of any pledge, lien, charge or encumbrance thereon or with respect thereto prior to, or of equal rank with, the pledge created by the 2005 General Bond Resolution, except for the liens in favor of the Trustee and Paying Agent as provided in the 2005 General Bond Resolution. The Bond Bank will at all times, to the extent permitted by law, defend, preserve and protect the pledge of the Municipal Bonds Payments, the Municipal Bonds and other money, securities, funds and property pledged under the 2005 General Bond Resolution and all the rights of the Bondholders under the 2005 General Bond Resolution against all claims and demands of all persons whomsoever.

General

The Bond Bank will do and perform or cause to be done and performed all acts and things required to be done or performed by or on behalf of the Bond Bank under law and the 2005 General Bond Resolution in accordance with the terms thereof.

The Bond Bank pledges and agrees with the Holders of the Bonds that it will not cause the State to limit or alter the rights vested by the Act in the Bond Bank to fulfill the terms of any agreements made with Bondholders, or in any way impair the rights and remedies of such Bondholders, until the Bonds, together with the interest thereon, with interest on any unpaid installments of interest, and all costs and expenses in connection with any action or proceeding by or on behalf of such Holders, are fully met and discharged.

Waiver of Laws

The Bond Bank will not at any time insist upon or plead in any manner whatsoever, or claim or take the benefit or advantage of any stay or extension of law now or at any time hereafter in force which may affect the covenants and agreements contained in the 2005 General Bond Resolution or in any Series Resolution or in the Bonds, and all benefit or advantage of any such law or laws is hereby expressly waived by the Bond Bank.

Loan Agreement Provisions

No loan will be made by the Bond Bank from proceeds of the sale of Bonds and no Bonds will be issued for the purpose of providing funds with which to make a loan, unless the Loan Agreement under which such loan is to be made will comply with, but not be limited to, the following:

(a) The Governmental Unit which is a party to such Loan Agreement must be a Governmental Unit as defined by the 2005 General Bond Resolution, and the Loan Agreement must be executed in accordance with existing laws.

(b) The Governmental Unit, prior to or simultaneously with the issuance of Bonds, will issue Municipal Bonds which are valid debt obligations of the Governmental Unit as required by the Act.

(c) The Municipal Bonds Payment to be made by the Governmental Unit under such Loan Agreement will be not less than the interest and principal payments the Bond Bank is required to make on the Loan Obligations and will be scheduled by the Bond Bank in such manner and at such times as to provide funds sufficient to pay principal and interest on the Loan Obligations as the same become due.

(d) The Governmental Unit will be obligated to pay Fees and Charges to the Bond Bank at the times and in the amounts which will enable the Bond Bank to comply with the provisions of the 2005 General Bond Resolution.

(e) The Governmental Unit will agree that in the event the Municipal Bonds Payment is not paid by it to the Bond Bank on or before the times specified in the Loan Agreement, any money payable to the Governmental Unit by any department or agency of the State will be withheld from such Governmental Unit and paid over directly to the Trustee acting under the 2005 General Bond Resolution.

(f) The Bond Bank will not sell, and the Governmental Unit will not redeem prior to maturity, any of the Municipal Bonds with respect to which the Loan is made in an amount greater than the Outstanding Bonds issued with respect to such Loan which are then redeemable, and any such sale or redemption of such Municipal Bond will be in an amount not less than the aggregate of (i) the principal amount of the Loan Obligation to be redeemed, (ii) the interest to accrue on the Loan Obligation so to be redeemed to the next redemption date, (iii) the applicable redemption premium, and (iv) the costs and expenses of the Bond Bank in effecting the redemption of the Loan Obligation.

(g) The Government Unit must give the Bond Bank at least fifty (50) days' notice of its intent to redeem its Municipal Bonds.

Modification of Loan Agreement Terms

The Bond Bank will not consent to the modification of, or modify, the rates of interest of, or the amount or time of payment of any installment of principal of or interest on, any Municipal Bonds evidencing a Loan, or the amount or time of payment of any Fees and Charges payable with respect to such Loan, or the security for or any terms or provisions of such Loan or the Municipal Bonds evidencing the same, in a manner which adversely affects or diminishes the rights of the Bondholders.

Enforcement of Municipal Bonds

The Bond Bank will diligently enforce, and take all reasonable steps, actions and proceedings necessary for the enforcement of, all terms, covenants and conditions of all Loan Agreements and the Municipal Bonds, including the prompt collection, and the giving of notice to the Commissioner of Revenue, Commissioner of Commerce, Community and Economic Development and the Commissioner of Administration and any other department or agency of the State which is custodian of any money payable to the Governmental Unit of any failure or default of the Governmental Unit in the payment of its Municipal Bonds Payments and will promptly transfer any such money, upon receipt thereof, to the Trustee and the Trustee will deposit any such money in the Principal Account and Interest Account in place of said unpaid Municipal Bonds Payments or in the event deficiencies in said Accounts created by such default will have been made up by the Reserve Fund, into the Reserve Fund to the extent of such deficiencies.

Funds and Accounts

The 2005 General Bond Resolution established a Debt Service Fund, consisting of an Interest Account, a Principal Account and a Redemption Account; a Reserve Fund; a Rebate Fund, which consists of a separate sub-account for each Series of Bonds; and an Operating Fund. The Debt Service Fund, the Rebate Fund and the Reserve Fund are held by the Trustee. The Operating Fund is held by the Bond Bank.

Debt Service Fund. The Trustee will deposit Municipal Bonds Interest Payments and any other money available for the payment of interest in the Interest Account upon receipt thereof. The Trustee will, on or before each interest payment date, pay out of the Interest Account the amounts required for the payment of the interest becoming due on each series of Bonds on such interest payment date.

The Trustee will deposit Municipal Bonds Principal Payments and any other money available for the payment of principal in the Principal Account upon receipt thereof. The Trustee will, on or before each principal payment date or Sinking Fund Installment date, pay out of the Principal Account the amounts required for the payment of the principal or Sinking Fund Installment due on each series of Bonds on such date.

The Trustee establishes in the Redemption Account a separate sub-account for each Series of Bonds. Any money deposited into the Redemption Account from any source other than pursuant to Section 607 or Section 916 of the 2005 General Bond Resolution will be applied to the purchase or redemption of Bonds. Any money deposited into the Redemption Account from the Reserve Fund because of a reduction in the Required Debt Service Reserve will be applied to the purchase or redemption of Reserve Fund Obligations.

Reserve Fund. Monthly, the Trustee will set aside from amounts in the Reserve Fund derived from investment earnings and profits realized by the Reserve Fund due to investments thereof, an amount which, when added to the amounts theretofore set aside for such purpose and not paid into the Interest Account, will on such date be equal to the unpaid interest on the Reserve Fund Obligations accrued and to accrue to the last day of such month.

On or before each principal payment date and Sinking Fund Installment payment date of Reserve Fund Obligations, the Trustee will withdraw from amounts in the Reserve Fund and deposit in the Principal Account an amount which, when added to the amount then on deposit in the Principal Account and derived from sources other than Municipal Bonds Payments, will be equal to the Principal Installment of the Reserve Fund Obligations falling due on such date.

On or before December 31 of each year, after satisfying the deposit requirements set forth above, the Trustee will withdraw from the Reserve Fund any amount remaining therein derived from investment earnings or profits due to investments thereof, and pay over said amount to the Bond Bank for deposit in the Operating Fund, but only to the extent that there remains after such withdrawal an amount in the Reserve Fund at least equal to the Reserve Fund Requirement.

The Bond Bank will pay into the Reserve Fund (a) money made available by the State and paid by the State for the purpose of the Alaska Municipal Bond Bank Reserve Fund created by the Act in the amount provided by a Series Resolution; (b) all money paid to the Bond Bank pursuant to the Act for the purpose of restoring the Reserve Fund to the amount of the Reserve Fund Requirement; (c) such portion of the proceeds of sale of Bonds, if any, as will be provided by any Series Resolution; (d) Credit Enhancement; and (e) any other money which may be made available to the Bond Bank for the purposes of the Reserve Fund from any other source or sources. The Reserve Fund Requirement may be satisfied entirely, or in part, by a letter of credit, a line of credit, a credit facility, a surety bond, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds; provided, however, any credit enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution of any prior credit enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

In the event there will be a deficiency in the Interest Account or in the Principal Account, the Trustee will make up such deficiencies from the Reserve Fund.

Administration of Reserve Fund. Money and securities held in the Reserve Fund will not be withdrawn therefrom at any time in such amount as would reduce the amount in such Fund to an amount less than the Reserve Fund Requirement except for the payment when due of debt service on Reserve Fund Obligations and to cure a deficiency in the Principal Account or the Interest Account.

Rebate Fund. There will be deposited in the Rebate Fund the amount of the Rebate Requirement for each Series of Bonds, and the Trustee will pay over to the United States Government such amounts as determined by the Bond Bank and as set forth in the 2005 General Bond Resolution. All amounts held in the Rebate Fund, including income earned from investment of the Rebate Fund, shall be held by the Trustee free and clear of the lien of the 2005 General Bond Resolution.

Operating Fund. There will be deposited in the Operating Fund all Fees and Charges, to the extent not otherwise encumbered or pledged, and any other money which may be made available to the Bond Bank therefor from any other source or sources. Money at any time held for the credit of the Operating Fund will be used for and applied solely to the following purposes: (a) to pay the Administrative Expenses of the Bond Bank; (b) to pay the fees and expenses of the Trustee and any Paying Agent; (c) to pay financing costs incurred with respect to a Series of Bonds; and (d) to pay any expenses incurred in carrying out any other purpose then authorized by the Act.

All amounts in the Operating Fund will be free and clear of any lien or pledge created by the 2005 General Bond Resolution.

Security for Deposits

All money held by the Trustee will be continuously and fully secured, for the benefit of the Bond Bank and the Bondholders in such manner as may then be required or permitted by applicable State or federal laws and regulations regarding the security for, or granting a preference in the case of, the deposit of trust funds. It will not be necessary for the Trustee or any paying agent to give security for the deposit of any money with them held in trust for the payment of the principal or Redemption Price of or interest on any Bonds, or for the Trustee to give security for any money which will be represented by obligations purchased under the provisions of the 2005 General Bond Resolution as an investment of such money.

Payment of Bonds

The Bond Bank will duly and punctually pay or cause to be paid the principal or Redemption Price, if any, of every Bond and the interest thereon, at the dates and places and in the manner provided in the Bonds according to the true intent and meaning thereof, and will duly and punctually satisfy all Sinking Fund Installments, if any, becoming payable with respect to any Series of Bonds.

Fees and Charges

The Bond Bank may charge such Fees and Charges to each Governmental Unit to which a Loan is made, and will revise such Fees and Charges if necessary, so that such Fees and Charges actually collected from each such Governmental Unit will at all times produce money which, together with such Governmental Unit's Allocable Proportion of other money available under the provisions of the 2005 General Bond Resolution, and other money available therefor, will be at least sufficient to pay, as the same become due, the Governmental Unit's Allocable Proportion of the Administrative Expenses of the Bond Bank and of the fees and expenses of the Trustee and any Paying Agent.

Issuance of Additional Obligations

The Bond Bank may issue additional Bonds and refunding Bonds pursuant to the terms of the 2005 General Bond Resolution; however, no additional series of Bonds will be issued unless:

- (a) the aggregate principal amount of Bonds and Notes Outstanding at the time of issuance and delivery of such additional Bonds including the principal amount of such additional Bonds, will not exceed any limit thereon imposed by State law;
- (b) there is at the time of the issuance of such additional Bonds no deficiency in the amounts required by the 2005 General Bond Resolution or any Series Resolution to be paid into the Debt Service Fund and into the Reserve Fund;
- (c) the amount of the Reserve Fund, upon the issuance and delivery of such additional Bonds, will not be less than the Required Debt Service Reserve; and
- (d) the maturities of, or Sinking Fund Installments for, the additional Bonds representing Loan Obligations, unless such additional Bonds are being issued to refund Outstanding Bonds, will be equal to the scheduled Municipal Bonds Principal Payments to be made in respect of the Loans with respect to which such additional Bonds are to be issued.

The Bond Bank expressly reserves the right to adopt other general bond resolutions and reserves the right to issue notes and any other obligations so long as the same are not a charge or lien on the Municipal Bonds, the Municipal Bonds Payments and the Fees and Charges or payable from the Debt Service Fund or the Reserve Fund.

Defeasance

If the Bond Bank will pay or cause to be paid to the holders of all Bonds then Outstanding, the principal and interest and/or Redemption Price, if any, to become due thereon, at the times and in the manner stipulated therein and in the 2005 General Bond Resolution and also will pay or cause to be paid all other sums payable under the 2005 General Bond Resolution, including any amounts payable to the United States, then, at the option of the Bond Bank, as expressed in an instrument in writing signed by an Authorized Officer and delivered to the Trustee, the covenants, agreements and other obligations of the Bond Bank to the Bondholders will be discharged and satisfied. All Outstanding Bonds of any Series will, prior to the maturity or redemption date thereof, be deemed to have been paid if (a) in case any of said Bonds are to be redeemed on any date prior to their maturity, the Bond Bank will have given to the Trustee in form satisfactory to it irrevocable instructions to publish notice of redemption on said date of such Bonds, and (b) there will have been deposited with the Trustee either monies in an amount which will be sufficient or Investment Securities which are not subject to redemption prior to the dates on which amounts will be needed to make payments on the Bonds and described in clause (1) of the definition thereof, the principal of and the interest on which when due will provide money which, together with the money, if any, deposited with the Trustee or Paying Agent at the same time, will be sufficient, to pay, when due, the principal or Redemption Price, if applicable, and interest due and to become due on said Bonds on and prior to the redemption date or maturity date thereof, as may be the case.

Supplements and Amendments

The Bond Bank may adopt a Series Resolution or Supplemental Resolution without the consent of the Bondholders or the Trustee for various purposes not inconsistent with the 2005 General Bond Resolution, to provide for the issuance of additional Series of Bonds, to impose additional limitations or restrictions on the issuance of Bonds, to impose other restrictions on the Bond Bank, to surrender any right, power or privilege, or to confirm any pledge of or lien upon the Municipal Bonds or the Municipal Bonds Payments or any other funds. The Bond Bank may also supplement the 2005 General Bond Resolution to cure any ambiguity or defect in the 2005 General Bond Resolution, provided such modifications are not contrary to or inconsistent with the 2005 General Bond Resolution as theretofore in effect.

Any modification or amendment of the 2005 General Bond Resolution and of the rights and obligations of the Bond Bank and of the Bondholders may be made with the written consent (a) of the holders of at least two-thirds in principal amount of the Bonds Outstanding at the time such consent is given, or (b) in case less than all of the several Series of Bonds then Outstanding are affected by the modification or amendment, of the holders of at least two-thirds in principal amount of the Bonds of each Series so affected and Outstanding at the time such consent is given; provided, however, that such modification or amendment will not permit (i) a change in the terms of redemption or maturity of the principal of any outstanding Bond or of any installment of interest thereon or Sinking Fund Installment therefor, (ii) a reduction in the principal amount or the Redemption Price thereof or in the rate of interest thereon, (iii) a reduction of the percentage of the Holders of which is required to effect any such modification or amendment, or (iv) the creation of any lien prior to or on a parity with the lien created by the 2005 General Bond Resolution (except in the manner provided by the 2005 General Bond Resolution) or deprive the Bondholders of the lien created by the 2005 General Bond Resolution, without the consent of the holders of all the Bonds Outstanding or of the Series of Bonds affected by such modification or amendment. To the extent that the full payment of the interest and principal of Bonds of a Series is secured by Credit Enhancement, the Credit Enhancement Agency will be considered to be the Bondholder of all the Bonds of the Series for purposes of exercising any rights with respect to supplements and amendments to the 2005 General Bond Resolution if the Credit Enhancement so provides.

Events of Default and Remedies

Each of the following events is an Event of Default under the 2005 General Bond Resolution:

- (a) the Bond Bank defaults in the payment of the principal or Redemption Price of, Sinking Fund Installment for, or interest on, any Bond when and as the same will become due whether at maturity or upon call for redemption, or otherwise;
- (b) the Bond Bank fails or refuses to comply with the provisions of the Act regarding the certification of deficiencies in the 2005 General Bond Resolution Reserve Fund, or such amounts as will be certified to the Governor and to the Legislature pursuant to the Act will not be appropriated and paid to the Bond Bank prior to the termination of the then current State fiscal year; or
- (c) the Bond Bank fails or refuses to comply with the provisions of the Act, other than as provided in (b) above, or defaults in the performance or observance of any other of the covenants, agreements or conditions on its part in the 2005 General Bond Resolution, any Series Resolution, any Supplemental Resolution, or in the Bonds contained, and such failure, refusal or default will continue for a period of 45 days after written notice thereof by the Trustee or the Holders of not less than 25 percent in principal amount of the Outstanding Bonds;

provided, however, that an event of default will not be deemed to exist under the provisions of clause (c) above upon the failure of the Bond Bank to make and collect Fees and Charges required to be made and collected by the 2005 General Bond Resolution or upon the failure of the Bond Bank to enforce any obligation undertaken by a Governmental Unit pursuant to a Loan Agreement including the making of the stipulated Municipal Bonds Payments so long as the Bond Bank may be otherwise directed by law and so long as the Bond Bank will be provided with money from the State or otherwise, other than withdrawals from or reimbursements of the Reserve Fund, sufficient in amount to pay the principal of and interest on all Bonds as the same will become due during the period for which the Bond Bank will be directed by law to abstain from making and collecting such Fees and Charges and from enforcing the obligations of a Governmental Unit under the applicable Loan Agreement.

Upon the happening and continuance of any event of default specified in paragraph (a) above, the Trustee will proceed, or upon the happening and continuance of any event of default specified in paragraphs (b) and (c) above, the Trustee may proceed, and upon the written request of the holders of not less than 25 percent in principal amount of the Outstanding Bonds will proceed, in its own name, to protect and enforce its rights and the rights of the Bondholders by such of the following remedies as the Trustee, being advised by counsel, will deem most effectual to protect and enforce such rights:

- (a) by mandamus or other suit, action or proceeding at law or in equity, enforce all rights of the Bondholders, including the right to require the Bond Bank to make and collect Fees and Charges and Municipal Bonds Payments adequate to carry out the covenants and agreements as to, and pledge of, such Fees and Charges and Municipal Bonds Payments, and other properties and to require the Bond Bank to carry out any other covenant or agreement with Bondholders and to perform its duties under the Act;
- (b) by bringing suit upon the Bonds;
- (c) by action or suit in equity, require the Bond Bank to account as if it were the trustee of an express trust for the holders of the Bonds;
- (d) by action or suit in equity, enjoin any acts or things which may be unlawful or in violation of the rights of the holders of the Bonds.

Upon the occurrence of an event of default in the payment of principal of and interest on Bonds then Outstanding, the Trustee may, and upon the written request of the holders of not less than a majority in aggregate principal amount of the Bonds at the time Outstanding will, declare the principal of all the Bonds then Outstanding, and the interest accrued thereon, to be due and payable immediately, and upon any such declaration the same will be immediately due and payable. This provision, however, is subject to the condition that if before any judgment or decree for the payment of the money due will have been obtained or entered, the Bond Bank will deposit with the Trustee a sum sufficient to pay all principal on the Bonds matured prior to such declaration and all matured installments of interest upon all the Bonds, with interest on such overdue installments of principal at the rate borne by the respective Bonds, and the reasonable expenses of the Trustee, and any and all other defaults known to the Trustee will have been made good or cured to the satisfaction of the Trustee or provision deemed by the Trustee to be adequate will have been made therefor, then the holders of at least a majority in aggregate principal amount of the Bonds then outstanding, may, on behalf of the holders of all of the Bonds, rescind and annul such declaration and its consequences and waive such default.

Bondholders' Direction of Proceedings. The holders of a majority in principal amount of the Bonds then Outstanding will have the right to direct the method of conducting all remedial proceedings to be taken by the Trustee, provided that such direction will not be otherwise than in accordance with law or the 2005 General Bond Resolution, and that the Trustee will have the right to decline to follow any such direction which in the opinion of the Trustee would be unjustly prejudicial to Bondholders not parties to such direction.

Limitation on Rights of Bondholders. No holder of any Bond will have any right to institute any suit, action, mandamus or other proceeding in equity or at law under the 2005 General Bond Resolution, or for the protection or enforcement of any right under the 2005 General Bond Resolution or any right under law unless such holder will have given to the Trustee written notice of the event of default or breach of duty on account of which such suit, action or proceeding is to be taken, and unless the holders of not less than 25 percent in principal amount of the Bonds then Outstanding will have made written request of the Trustee and will have afforded the Trustee a reasonable opportunity either to proceed to exercise the powers granted under law or to institute such action, suit or proceeding in its name and unless, also, there will have been offered to the Trustee reasonable security and indemnity against the costs, expenses and liabilities to be incurred thereby, and the Trustee will have refused or neglected to comply with such request within a reasonable time. No holder of the Bonds will have any right to affect, disturb or prejudice the security of the 2005 General Bond Resolution, or to enforce any right with respect to the Bonds or the 2005 General Bond Resolution, except in the manner provided in the 2005 General Bond Resolution, and all proceedings at law or in equity will be instituted, held and maintained in the manner herein provided and for the benefit of all Bondholders.

Excess Earnings

The Bond Bank covenants and agrees to calculate Rebatable Arbitrage and to pay Rebatable Arbitrage to the United States of America in the manner necessary to comply with the then applicable federal tax law. Within 30 days after the end of every fifth Bond Year, and within 60 days of the date when all of each Series of Bonds have been retired (or at such other time or times as may then be required by the Code and the applicable Income Tax Regulations), the Bond Bank will determine the Rebatable Arbitrage with respect to each Series of Bonds, and pay rebate amounts due the United States of America with respect thereto, as provided in Section 148(f) of the Code.

Modifications to the 2005 General Bond Resolution

The 2005 General Bond Resolution authorizes modifications of any provision set forth in the 2005 General Bond Resolution by the terms of a Supplemental Resolution, with such modifications becoming effective after all Bonds of each Series Outstanding as of the date of such Supplemental Resolution authorizing such modification cease to be Outstanding. A first supplemental resolution (the "First Supplemental Resolution") was approved by the Board of Directors of the Bond Bank at a meeting held on February 19, 2013.

The First Supplemental Resolution authorizes the following modifications to the 2005 General Bond Resolution: (i) to authorize the Trustee to release to the Bond Bank amounts held in the Reserve Fund which exceed the Required Debt Service Reserve whenever there is a reduction in the Required Debt Service Reserve, (ii) to authorize the Trustee to release to the Bond Bank earnings and profits realized from investments in the Reserve Fund on or before June 30 of each year so long as the balance therein equals the Required Debt Service Reserve, (iii) to allow for certain amendments and modifications to the 2005 General Bond Resolution to be effective upon securing the consent of Holders of at least two-thirds in principal amount of Bonds then Outstanding, and (iv) to establish that consent of Holders of Bonds, when required under the terms of the 2005 General Bond Resolution, specifically includes the consent of an underwriter or purchaser of a Series of Bonds at the time such Bonds are issued.

The modifications to the 2005 General Bond Resolution set forth in the First Supplemental Resolution shall become effective after all Bonds issued prior to the 2013 Series One Bonds cease to be Outstanding and compliance by the Bank with certain requirements set forth in the 2005 General Bond Resolution, at which time these modifications will apply to the 2015 Series Two Bonds and govern the rights and obligations of the Holders thereof.

LITIGATION

Upon the delivery of the 2015 Series Two Bonds, the Bond Bank will furnish a certificate to the effect that, among other things, there is no litigation pending in any court to restrain or enjoin the issuance or delivery of the 2015 Series Two Bonds, or in any way contesting the validity or enforceability of the 2015 Series Two Bonds, the 2005 General Bond Resolution or any Bonds or money pledged under the 2005 General Bond Resolution.

CERTAIN LEGAL MATTERS

Legal matters incident to the authorization, issuance and sale by the Bond Bank of the 2015 Series Two Bonds are subject to the approving legal opinion of Wohlforth, Brecht & Cartledge APC of Anchorage, Alaska, Bond Counsel to the Bond Bank. The proposed form of the opinion of Bond Counsel is included herein as Appendix A.

Certain legal matters will be passed upon for (i) the Municipality of Skagway and the City and Borough of Juneau by their bond counsel, K&L Gates LLP of Seattle, Washington, (ii) the City of Cordova by its bond counsel, Birch, Horton, Bittner & Cherot of Anchorage, Alaska, (iii) the City of Seward by its bond counsel Wohlforth, Brecht & Cartledge APC of Anchorage, Alaska and (iv) the Kenai Peninsula Borough by its co-bond counsel, Foster Pepper PLLC of Seattle, Washington, and the Levesque Law Group, LLC of Anchorage, Alaska.

The firm of Wohlforth, Brecht & Cartledge has secured the written consent of the Bond Bank and the City of Seward regarding the multiple representations of clients in this transaction.

The firm of Foster Pepper PLLC, of Seattle, Washington has secured the consent of the Underwriters and the Kenai Peninsula Borough regarding the multiple representations of clients in this transaction.

VERIFICATION OF MATHEMATICAL COMPUTATIONS

_____, independent certified public accountants, will verify the mathematical accuracy of certain computations provided by the Underwriter regarding (a) the adequacy of the maturing principal amounts of and interest on the Escrow Obligations, together with an initial cash deposit, to pay the redemption price of and interest on the Refunded Bonds and (b) the actuarial yields on the 2015A Series Two Bonds and the Escrow Obligations. Such verifications have been relied upon by the Bond Bank's Bond Counsel to support its conclusion that the 2015A Series Two Bonds are not "arbitrage bonds" under Section 148 of the Internal Revenue Code of 1986.

UNDERWRITING

The 2015A Series Two Bonds are to be purchased by RBC Capital Markets, LLC (“RBCCM”) from the Bond Bank at an aggregate purchase price of \$_____ (equal to the aggregate principal amount of the 2015A Series Two Bonds, plus a net original issue premium of \$_____ less an underwriter’s discount of \$_____), subject to the terms of a Bond Purchase Contract between the Bond Bank and RBCCM. The Bond Purchase Contract provides that RBCCM will purchase all of the 2015A Series Two Bonds if any are purchased and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Contract, including the approval by counsel of certain matters.

The 2015B Series Two Bonds are to be purchased by RBCCM from the Bond Bank at an aggregate purchase price of \$_____ (equal to the aggregate principal amount of the 2015B Series Two Bonds, less an underwriter’s discount of \$_____), subject to the terms of a Bond Purchase Contract between the Bond Bank and RBCCM. The Bond Purchase Contract provides that RBCCM will purchase all of the 2015B Series Two Bonds if any are purchased and that the obligation to make such purchase is subject to certain terms and conditions set forth in the Bond Purchase Contract, including the approval by counsel of certain matters.

The initial offering prices (or prices corresponding to the yields) set forth on the inside cover of this Official Statement may be changed from time to time by the Underwriter without prior notice to any person after the date of the sale of the 2015 Series Two Bonds. The Underwriter may offer and sell the 2015 Series Two Bonds to certain dealers, unit investment trusts or money market funds at prices lower than the initial offering prices (or prices corresponding to the yields) set forth on the inside cover of this Official Statement.

MUNICIPAL ADVISOR

Western Financial Group, LLC has acted as financial advisor (the “Municipal Advisor”) to the Bond Bank in connection with the issuance of the 2015 Series Two Bonds. The Municipal Advisor is not obligated to undertake, and has not undertaken to make, an independent verification or to assume responsibility for the accuracy, completeness, or fairness of the information contained in this Official Statement. Western Financial Group, LLC is an independent advisory firm registered with the Securities and Exchange Commission and is not engaged in the business of underwriting, trading, or distributing municipal securities or other public securities.

FINANCIAL STATEMENTS

The financial statements of the Bond Bank included as Appendix E to this Official Statement have been audited by BDO USA, LLP, independent certified public accounts, to the extent and for the periods indicated in their report thereon. Such financial statements have been included in reliance upon the report of BDO USA, LLP.

The Bond Bank has not requested BDO USA, LLP to provide written consent for inclusion of the financial statements in this Official Statement.

TAX MATTERS [UNDER REVIEW]

2015A Series Two Bonds (Non-AMT). In the opinion of Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions and assuming, among other things, compliance by the Bond Bank and those participating Governmental Units with certain covenants, interest on the 2015A Series Two Bonds is excludable from gross income for federal income tax purposes. Interest on the 2015A Series Two Bonds is not a specific preference item for purposes of the alternative minimum tax imposed by the Internal Revenue Code of 1986, as amended (the “Code”) on individuals or corporations. However, interest on the 2015A Series Two Bonds is taken into account in determining adjusted current earnings for purposes of computing the federal alternative minimum tax imposed on certain corporations.

2015B Series Two Bonds (AMT). In the opinion of Bond Counsel, based on an analysis of existing laws, regulations, rulings and court decisions and assuming, among other things, compliance by the Bond Bank and Juneau with certain covenants, interest on the 2015B Series Two Bonds is excludable from gross income for federal income tax purposes, except that no opinion is expressed with respect to interest on the 2015B Series Two Bonds for any period during when such bonds (including bonds issued by Juneau) are held by a "substantial user" of the facilities financed thereby or a "related person" as those terms are defined in Section 147 of the Code. Bond Counsel is further of the opinion that interest on the 2015B Series Two Bonds is a specific preference item for purposes of the alternative minimum tax provisions imposed by the Code on individuals and corporations.

2015 Series Two Bonds. Bond Counsel is also of the opinion, based on existing laws of the State as enacted and construed that interest on the 2015 Series Two Bonds is excludable from taxation by the State except for transfer, estate and inheritance taxes.

The Code imposes various restrictions, conditions and requirements relating to the exclusion from gross income for federal income tax purposes of interest on obligations such as the 2015 Series Two Bonds. The Bond Bank and Governmental Units have covenanted to comply with certain restrictions designed to assure that interest on the 2015 Series Two Bonds is excludable from federal gross income. Failure to comply with these covenants may result in interest on the 2015 Series Two Bonds being included in federal gross income, possibly from the date of issuance of the 2015 Series Two Bonds. Bond Counsel's opinion is subject to the condition that the Bond Bank and the Governmental Units comply with these covenants and, in addition, will rely on representations by the Bond Bank and the Governmental Units and their advisors with respect to matters solely within the knowledge of the Bond Bank, the Governmental Units and their advisors, respectively.

Bond Counsel has not undertaken to determine (or to inform any person) whether any actions taken (or not taken) or events occurring (or not occurring) after the date of issuance of the 2015 Series Two Bonds may adversely affect the tax status of interest on the 2015 Series Two Bonds.

Although Bond Counsel has rendered an opinion that interest on the 2015 Series Two Bonds is excludable from gross income for federal income tax purposes, the ownership or disposition of, or the accrual or receipt of interest on, such 2015 Series Two Bonds may otherwise affect a 2015 Series Two Bond Owner's federal or State tax liability. The nature and extent of these other tax consequences will depend upon the 2015 Series Two Bond Owner's particular tax status and the 2015 Series Two Bond Owner's other items of income or deduction. Bond Counsel expresses no opinion regarding any other tax consequences relating to the ownership or disposition of, or the accrual or receipt of interest on, the 2015 Series Two Bonds. Owners of the 2015 Series Two Bonds should consult their tax advisors regarding the applicability of any collateral tax consequences of owning the 2015 Series Two Bonds, which may include original issue discount, original issue premium, purchase at market discount or at a premium, taxation upon sale, redemption or other disposition, and various withholding requirements.

Backup Withholding Interest on tax-exempt obligations such as the 2015 Series Two Bonds is in many cases subject to information reporting in a manner similar to interest paid on taxable obligations. Backup withholding may be imposed on payments made after March 31, 2007 to any bondholder who fails to provide certain required information including an accurate taxpayer identification number to any person required to collect such information pursuant to Section 6049 of the Code. This reporting requirement does not in and of itself affect or alter the excludability of interest on the 2015 Series Two Bonds from gross income for federal income tax purposes or any other federal tax consequence of purchasing, holding or selling tax-exempt obligations.

Original Issue Discount The 2015[A/B] Series One Bonds maturing _____ 1, 20__ and _____ 1, 20__, (the "Discount Bonds") are being sold at an original issue discount. The difference between the initial public offering prices, as set forth on the cover page, of such Discount Bonds and their stated amounts to be paid at maturity, constitutes original issue discount treated as interest which is excluded from gross income for federal income tax purposes to the same extent as interest on the 2015 Series Two Bonds.

The amount of original issue discount which is treated as having accrued with respect to such Discount Bond is added to the cost basis of the owner in determining, for federal income tax purposes, gain or loss upon disposition of such Discount Bond (including its sale, redemption or payment at maturity). Amounts received upon disposition of such Discount Bond which are attributable to accrued original issue discount will be treated as tax-exempt interest, rather than as taxable gain, for federal income tax purposes.

Original issue discount is treated as compounding semiannually, at a rate determined by reference to the yield to maturity of each individual Discount Bond, on days that are determined by reference to the maturity date of such Discount Bond. The amount treated as original issue discount on such Discount Bond for a particular semiannual accrual period is equal to the product of (i) the yield to maturity for such Discount Bond (determined by compounding at the close of each accrual period) and (ii) the amount which would have been the tax basis of such Discount Bond at the beginning of the particular accrual period if held by the original purchaser, less the amount of any interest payable for such Discount Bond during the accrual period. The tax basis is determined by adding to the initial public offering price on such Discount Bond the sum of the amounts that have been treated as original issue discount for such purposes during all prior periods. If such Discount Bond is sold between semiannual compounding dates, original issue discount which would have been accrued for that semiannual compounding period for federal income tax purposes is to be apportioned in equal amounts among the days in such compounding period.

Owners of Discount Bonds should consult their tax advisors with respect to the determination and treatment of original issue discount accrued as of any date and with respect to the state and local tax consequences of owning a Discount Bond.

Original Issue Premium The 2015[A/B] Series One Bonds maturing _____ 1, 20__ through and including _____ 1, 20__ (collectively, the “Premium Bonds”) are being sold at a premium. An amount equal to the excess of the issue price of a Premium Bond over its stated redemption price at maturity constitutes premium on such Premium Bond. An initial purchaser of a Premium Bond must amortize any premium over such Premium Bond’s term using constant yield principles, based on the purchaser’s yield to maturity or, in the case of Premium Bonds callable prior to their maturity, by amortizing the premium to the call date, based on the purchaser’s yield to the call date and giving effect to the call premium). As premium is amortized, the purchaser’s basis in such Premium Bond is reduced by a corresponding amount resulting in an increase in the gain (or decrease in the loss) to be recognized for federal income tax purposes upon a sale or disposition of such Premium Bond prior to its maturity. Even though the purchaser’s basis may be reduced, no federal income tax deduction is allowed. Purchasers of the Premium Bonds should consult with their tax advisors with respect to the determination and treatment of amortizable premium for federal income tax purposes and with respect to the state and local tax consequences of owning a Premium Bond.

Changes in Federal Tax Law From time to time, there are legislative proposals in the Congress and in the states that, if enacted, could alter or amend the federal and state tax matters referred to above or adversely affect the market value of the 2015 Series Two Bonds. It cannot be predicted whether or in what form any such proposal might be enacted or whether if enacted it would apply to bonds issued prior to enactment. In addition, regulatory actions are from time to time announced or proposed and litigation is threatened or commenced which, if implemented or concluded in a particular manner, could adversely affect the market value of the 2015 Series Two Bonds. It cannot be predicted whether any such regulatory action will be implemented, how any particular litigation or judicial action will be resolved, or whether the 2015 Series Two Bonds or the market value thereof would be impacted thereby. Purchasers of the 2015 Series Two Bonds should consult their tax advisors regarding any pending or proposed legislation, regulatory initiatives or litigation. The opinions expressed by Bond Counsel are based upon existing legislation and regulations as interpreted by relevant judicial and regulatory authorities as of the date of issuance and delivery of the 2015 Series Two Bonds, and Bond Counsel has expressed no opinion as of any date subsequent thereto or with respect to any pending legislation, regulatory initiatives or litigation.

Bond Counsel's opinion is not a guarantee of a result and is not binding on the Internal Revenue Service ("IRS"); rather, the opinion represents its legal judgment based upon its review of existing statutes, regulations, published rulings, and court decisions and the representations and covenants of the Bond Bank. The IRS has an ongoing program of auditing the tax-exempt status of the interest on governmental obligations. If an audit of the 2015 Series Two Bonds is commenced, under current procedures, the IRS is likely to treat the Bond Bank as the "taxpayer," and the owners of the 2015 Series Two Bonds (the "Owners") would have no right to participate in the audit process. In responding to or defending an audit of the tax-exempt status of the interest on the 2015 Series Two Bonds, the Bond Bank may have different or conflicting interests from the Owners. Public awareness of any future audit of the 2015 Series Two Bonds could adversely affect the value and liquidity of the 2015 Series Two Bonds during the pendency of the audit, regardless of its ultimate outcome.

RATINGS

Fitch Ratings ("Fitch") and Standard & Poor's Rating Services ("S&P") have assigned "___" and "___" ratings, respectively, to the 2015 Series Two Bonds. Such ratings reflect only the views of such organizations and any desired explanation of the significance of such ratings should be obtained from the rating agency furnishing the same, at the following addresses: Fitch, One State Street Plaza, New York, New York 10004, (212) 908-0500; S&P, 55 Water Street, New York, New York 10041 (212) 438-1000. Generally, a rating agency bases its rating on the information and materials furnished to it and on investigations, studies and assumptions of its own. **There is no assurance that such ratings will continue for any given period of time or that such ratings will not be revised downward or withdrawn entirely by the rating agencies if, in the judgment of such rating agencies, circumstances so warrant. Any such downward revision or withdrawal of such ratings may have an adverse effect on the market price of the 2015 Series Two Bonds.**

CONTINUING DISCLOSURE UNDERTAKING

Basic Undertaking to Provide Annual Financial Information and Notice of Material Events.

Continuing disclosure is provided for the benefit of Beneficial Owners. Pursuant to the Securities and Exchange Commission (the "SEC") Rule 15c2-12 (the "Rule"), the Bond Bank will agree to provide, or cause to be provided, to the Municipal Securities Rulemaking Board ("MSRB") annual financial information and operating data as described below. In addition, if any Governmental Unit has outstanding with the Bond Bank an amount of municipal bonds equal to or greater than 20 percent of all Bonds Outstanding, such Governmental Unit will be contractually required to provide the MSRB audited financial statements prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time.

Not later than 120 days after the end of each Bond Bank fiscal year, the Bond Bank will notify each Governmental Unit that has (as of the last day of the Bond Bank's prior fiscal year), an amount of municipal bonds equal to or greater than 20 percent of all Loans outstanding, of its continuing disclosure undertaking responsibility. A list of such Governmental Units will be included in the Bond Bank's annual financial information filing.

The Bond Bank will also undertake to provide or cause to be provided to the MSRB a notice of the occurrence of any of the following events specified by the Rule with respect to the 2015 Series Two Bonds within ten business days of the occurrence of the event: (a) principal and interest payment delinquencies; (b) unscheduled draws on debt service reserves reflecting financial difficulties; (c) unscheduled draws on credit enhancements reflecting financial difficulties; (d) substitution of credit or liquidity providers, or their failure to perform; (e) adverse tax opinions or events affecting the tax-exempt status of the 2015 Series Two Bonds; (f) defeasances; (g) rating changes; (h) tender offers; (i) bankruptcy, insolvency, receivership or similar proceeding by the Bond Bank or "obligated person." The Bond Bank will also file with the MSRB a notice of any of the following events with

respect to the 2015 Series Two Bonds within ten business days of the occurrence of such event, if material: (a) non-payment related defaults; (b) modification to rights of holders of 2015 Series Two Bonds; (c) bond calls, other than mandatory, scheduled redemptions not otherwise contingent on the occurrence of an event; (d) release, substitution or sale of property securing repayment of the 2015 Series Two Bonds; (e) other than in the normal course of business, the consummation of a merger, consolidation or acquisition involving an “obligated person,” or the sale of all or substantially all of the assets of the Bond Bank or “obligated person,” or the entry into a definitive agreement to undertake such an action, or a termination of a definitive agreement relating to any such actions, other than in accordance with its terms; (f) appointment of a successor or additional trustee or the change in name of the Trustee for the 2015 Series Two Bonds.

The Bond Bank also will provide to the MSRB timely notice of its failure to provide required annual financial information.

Type of Annual Financial Information Undertaken to be Provided by the Bond Bank. The annual financial information that the Bond Bank undertakes to provide will consist of (a) annual financial statements for the Bond Bank, prepared in accordance with generally accepted accounting principles applicable to governmental entities, as such principles may be changed from time to time; (b) a statement of authorized, issued and outstanding bonded debt; (c) Reserve Fund balance; and (d) Governmental Unit statistics in substantially the same form as Appendix C attached hereto. This information will be provided to the MSRB not later than 210 days after the end of each fiscal year of the Bond Bank (currently, the 12-month period ending June 30), as such fiscal year may be changed as required by State law, commencing with the Bond Bank's fiscal year ending June 30, 2015.

Amendment of Undertaking. The Bond Bank's continuing disclosure undertaking is subject to amendment after the primary offering of the 2015 Series Two Bonds without the consent of any Beneficial Owner of any 2015 Series Two Bond, or any broker, dealer, municipal securities dealer, participating underwriter, rating agency, or the MSRB, if (a) the amendment is made in connection with a change in circumstances that arises from a change in legal requirements, a change in law, or a change in the identity, nature or status of the Bond Bank; (b) the Undertaking, as amended, would have complied with the requirements of the Rule at the time of the primary offering of the 2015 Series Two Bonds, after taking into account any amendments or interpretations of the Rule by the SEC and any changes in circumstances; (c) the Bond Bank obtains an opinion of nationally recognized bond counsel to the effect that the amendment will not adversely affect the Bond Bank's compliance with the Undertaking and Rule; and (d) the Bond Bank notifies and provides the MSRB with copies of the opinions and amendments. Such amendment may be adopted without the consent of any Beneficial Owner of any of the 2015 Series Two Bonds, notwithstanding any other provision of the continuing disclosure undertakings or the 2005 General Obligation Bond Resolution.

The first annual report containing amended operating data or financial information pursuant to an amendment of the Bond Bank continuing disclosure undertaking will explain, in narrative form, the reasons for the amendment and its effect on the type of operating data and financial information being provided.

All notices, financial information and operating data required by this undertaking to be provided to the MSRB must be in electronic format as prescribed by the MSRB. All documents provided to the MSRB pursuant to this undertaking must be accompanied by identifying information as prescribed by the MSRB.

Termination. The obligations of the Bond Bank under its undertaking will terminate upon the legal defeasance, prior redemption or payment in full of all of the 2015 Series Two Bonds.

Remedy for Failure to Comply with Undertaking. No failure by the Bond Bank and/or Governmental Units to comply with any provisions of their respective undertakings will constitute a default in respect of the 2015 Series Two Bonds, and the sole remedy under the respective undertakings in the event of any failure of the Bond Bank or any Governmental Unit to comply with its undertaking will be the right to obtain specific performance of the undertaking.

Prior Compliance with Continuing Disclosure Undertakings Under the Rule

Bond Bank Bonds Issued Under the 2005 General Obligation Bond Resolution. The Bond Bank previously entered into continuing disclosure undertakings under the Rule in connection with its outstanding Bonds. The Bond Bank subsequently discovered it had not filed certain event notices in connection with rating downgrades of insurers and underlying ratings upgrades. Event notices were subsequently filed.

In addition, the Bond Bank discovered it had not included in its annual report statistics of Governmental Units similar to those found in Appendix C of its official statements, as required by prior continuing disclosure undertakings. Such information was included in publicly available official statements prepared by the Bond Bank every year of noncompliance for Bonds issued under the 2005 General Bond Resolution. Such information was, however, dated on or about the date of the official statement rather than as of the end of the Bond Bank's fiscal year end. This technical deficiency was cured and such information was filed with the MSRB.

Other Bonds Issued by the Bond Bank. The Bond Bank previously entered into continuing disclosure undertakings for bonds issued under its 1976 General Bond Resolution and 2010 Resolution. The Bond Bank discovered that certain annual financial information relating to governmental units participating in the 1976 General Bond Resolution pool and the 2010 Resolution pool had not been filed. This technical deficiency was cured and such information was filed with the MSRB. The Bond Bank previously entered into continuing disclosure undertakings in connection with certain revenue bonds issued by the Bond Bank. The Bond Bank discovered certain annual financial information relating to governmental units was not filed under the terms of such undertakings. These revenue bonds no longer remain outstanding.

General. The Bond Bank has developed procedures to ensure its continuing disclosure obligations are complied with in all material respects. Although there have been instances of technical deficiencies with its previous undertakings, the Bond Bank reasonably believes it has complied in the past five years in all material respects with its previous undertakings with regard to the Rule.

Governmental Units. In 2014 it was discovered that certain of the Governmental Units who timely filed annual financial information in accordance with their prior undertakings inadvertently failed to associate that annual financial information with all Bonds issued and Outstanding under the 2005 General Bond Resolution. Effective February 20, 2014, each undertaking and/or Loan Agreement executed by Governmental Units includes an express requirement that such filing be linked to all Outstanding Bonds issued under the 2005 General Bond Resolution.¹

SOURCES OF CERTAIN INFORMATION

As of the date of this Official Statement, the Governmental Units which have loan obligations in an amount of ten percent (10%) or greater in the pool of loans financed with proceeds of Bonds are the City and Borough of Sitka (16.70%), the Kenai Peninsula Borough (13.13%), the City and Borough of Juneau (12.72%) and the City of Ketchikan (11.89%). These Governmental Units are considered "Obligated Persons" under the Rule and have provided the information appearing in Appendix D of this Official Statement.

The Bond Bank makes no representation as to the accuracy of the information concerning the City and Borough of Juneau, the Kenai Peninsula Borough, the City of Ketchikan or the City and Borough of Sitka found in

¹ Prior to October 30, 2014, a Governmental Unit that had bonds which constituted 10 percent or more of outstanding municipal bonds held by the Bond Bank under its 2005 General Bond Resolution was required to provide certain financial and operating data to the MSRB. Effective October 30, 2014, all Governmental Units with outstanding municipal bonds held by the Bond Bank under its 2005 General Bond Resolution are required to file financial statements with the MSRB.

DEFINITIONS

The following terms are used in this Official Statement with the following meanings:

"Act" — The Alaska Municipal Bond Bank Act, codified as Chapter 85, Title 44, of the Alaska Statutes, as amended.

"Bond Bank" — The Alaska Municipal Bond Bank, a public corporation and instrumentality of the State of Alaska within the Department of Revenue but with legal existence independent of and separate from the State.

"Bonds" — Bonds issued by the Bond Bank under the 2005 General Bond Resolution pursuant to a Series Resolution. These include "Loan Obligations" and "Reserve Fund Obligations" as defined below.

"Code" — Internal Revenue Code of 1986 and the regulations thereunder, as amended.

"Credit Enhancement" — A letter of credit, a line of credit, a credit facility, a surety bond, bond insurance, or any other instrument or arrangement obtained in connection with the issuance of a Series of Bonds to further secure the payment of the Bonds of such Series or to satisfy the Reserve Fund Requirement.

"Credit Enhancement Agency" — Any bank or other institution that provides Credit Enhancement.

"Debt Service Fund" — A fund established by the 2005 General Bond Resolution to be maintained and held by the Trustee. The 2005 General Bond Resolution defines and provides that the "Interest Account," "Principal Account" and "Redemption Account" are maintained within the Debt Service Fund.

"Fees and Charges" — All fees and charges authorized to be charged by the Bond Bank pursuant to Sections 44.85.080 (8), (15), and (16) of the Act and charged by the Bank pursuant to the terms and provisions of the Loan Agreements.

"Governmental Unit" — A municipality or such other entity from which the Bond Bank is authorized by law to purchase its revenue bonds, general obligation bonds, notes, or other forms of indebtedness and which otherwise satisfies conditions found in the 2005 General Bond Resolution and in the Loan Agreement.

"Loan Agreement" — An agreement, and any amendments thereto, entered into between the Bond Bank and a Governmental Unit setting forth the terms and conditions of a loan.

"Loan Obligations" — The amount of Bonds and the Bonds themselves issued by the Bond Bank for the purchase of Municipal Bonds of a Governmental Unit.

"Municipal Bonds" — General obligation bonds, revenue bonds, notes or other evidence of debt issued by any Governmental Unit, as defined in the Act, which have been acquired by the Bond Bank as evidence of a loan to the Governmental Unit pursuant to the Act.

"Municipal Bonds Payment" — The amounts paid or required to be paid, from time to time, for principal and interest by a Governmental Unit to the Bond Bank on the Governmental Unit's Municipal Bonds.

"Notes" — Any obligations referred to in the 2005 General Bond Resolution issued by the Bond Bank other than Bonds.

"Operating Fund" — A fund established by the 2005 General Bond Resolution. This fund is not held by the Trustee and money therein is not pledged as security for Bonds.

"Outstanding" — When used with reference to Bonds, shall mean, as of any date, Bonds theretofore or then being delivered under the provisions of the 2005 General Bond Resolution, other than Bonds owned or held by or for the account of the Bond Bank except: (i) any Bonds cancelled by the Trustee at or prior to such date, (ii) any Bonds for the transfer or exchange of or in lieu of or in substitution for which other Bonds shall have been delivered pursuant to the 2005 General Bond Resolution, and (iii) Bonds deemed to have been paid as provided in the 2005 General Bond Resolution.

"Reserve Fund" — The reserve account established by the 2005 General Bond Resolution and held by the Trustee pursuant to the provisions of the 2005 General Bond Resolution.

"Reserve Fund Obligations" — Bonds issued by the Bond Bank to obtain funds to deposited in the Reserve Fund.

"Reserve Fund Requirement" — The amount required to be on deposit in the 2005 General Bond Resolution Reserve Fund is the least of the following: (i) 10% of the initial stated principal amount of each Series of Bonds then Outstanding; (ii) maximum annual principal and interest requirements on all Bonds then Outstanding; (iii) 125% of average annual principal and interest requirements on all Bonds then Outstanding; or (iv) such lesser amount as shall be required by law. The Reserve Fund Requirement may be satisfied entirely, or in part, by Credit Enhancement; provided, however, any Credit Enhancement satisfying all or any part of the Reserve Fund Requirement after the initial issuance of Bonds or issued in substitution for any prior Credit Enhancement previously issued will not, by itself, cause a withdrawal or downward revision of the ratings maintained by any Rating Agency with respect to the Bonds.

"Required Debt Service Reserve" — As of any date of calculation, the amount required to be on deposit in the Reserve Fund which amount shall at least be equal to the Reserve Fund Requirement.

"Series Resolution" — A resolution of the Bond Bank authorizing the issuance of a series of Bonds in accordance with the terms of the 2005 General Bond Resolution.

"2005 General Bond Resolution" — The Bond Bank's 2005 General Obligation Bond Resolution adopted July 13, 2005, as amended August 19, 2009. (The Bond Bank may adopt additional general obligation resolutions for the same or different purposes.)

MISCELLANEOUS

The summaries or descriptions of provisions in the Bond Resolution and all references to other materials not purporting to be quoted in full are only brief outlines of certain provisions thereof and do not constitute complete statements of such documents or provisions, and reference is hereby made to the complete documents and materials, copies of which will be furnished by the Bond Bank on request. The 2005 General Bond Resolution has been included herein as Appendix F.

Any statements made in this Official Statement indicated to involve matters of opinion or estimates are represented as opinions or estimates in good faith. No assurance can be given, however, that the facts will materialize as so opined or estimated.

PRELIMINARY OFFICIAL STATEMENT

The Bond Bank hereby deems this Preliminary Official Statement pursuant to the SEC Rule 15c2-12 as final as of its date except for the omission of the information dependent upon the pricing of the issue, such as offering

prices, interest rates, delivery date and other terms of the 2015 Series Two Bonds dependent on the foregoing matters.

OFFICIAL STATEMENT

The Bond Bank has authorized the execution and distribution of this Official Statement.

ALASKA MUNICIPAL BOND BANK

/s/

Deven J. Mitchell
Executive Director

APPENDIX A

Form of Legal Opinion

APPENDIX B

State Payments to Governmental Units

Appendix B

State Payments to Governmental Units

The State of Alaska (the “State”) disburses to Alaskan cities and boroughs (the “Governmental Units”) funds that generally are available for uses other than paying municipal bond debt service. In the event of default by a Governmental Unit with respect to a Loan Agreement, the Bond Bank is authorized to cause such funds, held in custody by the State prior to disbursement, to be paid over to the Bond Bank. However, the State may at any time reduce or terminate the disbursements or programs under which they are made. Four of the departments of the State that disburse money to Governmental Units are as follows:

(1) Department of Education and Early Development. The Department of Education and Early Development (DEED) disburses State aid for educational purposes primarily through the school debt reimbursement, the foundation funding, and pupil transportation programs, in addition to funding for boarding homes, residential boarding, youth in detention, special schools, and the Alaska Challenge Youth Academy programs.. The first program provides a system under which the State, subject to annual appropriation by the State Legislature, will reimburse municipalities that operate school districts for certain costs of school construction. State reimbursement applies to debt service on locally issued general obligation school bonds. Timing of reimbursements is determined by municipalities’ debt service payments, and is made throughout the year. This program provides that subject to statutory and regulatory conditions that the State will reimburse municipalities for a pre-determined percentage of debt service incurred for such bonds, depending on when such bonds were issued and the project components. The State has in the past, and may in the future, appropriate less than the full amount to which the municipalities are entitled. When appropriations are less than 100 percent of the entitlement, funds have been allocated pro rata among the eligible school districts.

Under the second program, the State aids local school districts in the payment of operating expenses under the State “K-12 foundation” funding which provides education-related aid for operating costs associated with qualified K-12 schools as well as programs such as the handicapped facilities and nutrition programs. The program provides for monthly distributions to the school districts.

Under the third program, the state aids local school districts for pupil transportation. The program provides for monthly distributions to the school districts.

Under the fourth program, the state has provided one-time grant funds.

(2) Department of Revenue. The Department of Revenue disburses shares of various State taxes collected by the within the jurisdiction of certain Governmental Units including aviation fuel, Commercial Passenger Vessel, electric, telephone, liquor and fisheries resources landed and business taxes. Payments are distributed both semi-annually in January and July and annually in October depending upon the type of tax.

(3) Department of Commerce, Community and Economic Development. The Department of Commerce, Community and Economic Development (DCCED) administers a payment in lieu of taxes program under which the federal government pays a fee for use of land. The payments received from the federal government are passed through the State to certain Governmental Units. Distributions occur annually in July. The State also disburses money to certain Governmental Units through the DCCED's Capital Matching Grants program to provide assistance in financing capital projects. Distributions are made throughout the year as approved projects are constructed. Additionally the State Revenue Sharing program provides an annual transfer to certain governmental units based on population. The revenue sharing transfers occur in the first quarter of the fiscal year.

(4) Department of Corrections. The Department of Corrections transfers monthly amounts to pay operational expenses of local communities that house prisoners in municipal-owned facilities.

Sources: State of Alaska, Department of Administration, Division of Finance; State of Alaska, Office of Management and Budget; and State of Alaska, Department of Revenue, Tax Division. Further information regarding the State of Alaska may be found at <http://alaska.gov> (this reference is not a hyperlink, and, by this reference, the State of Alaska's website is not incorporated into this Official Statement).

Alaska Municipal Bond Bank Capability to Intercept Funds

	FY 2013 Shared Taxes & Fees one time transfers for 7 categories of tax and license type (updated in December annually)	FY 2015 DOT Reimbursement Program transferred as debt service comes due semi-annually (current year annual appropriation)	FY 2015 Projected School Debt Reimbursement transferred as debt service comes due semi- annually (current year annual appropriation)	FY 2015 Projected Education Support transferred in 12 level monthly installments during fiscal year (current year annual appropriation)	Matching Grants as of August 1, 2014 will be drawn down as projects are completed (current and past year capital grant appropriations) (1)	FY 2015 Community Jails - Transferred in 12 level monthly payments during fiscal year (current year annual appropriation)	FY 2014 PILT transfers	Revenue Sharing FY 2015 disbursed at one time by October of fiscal year (current year annual appropriation)	Total Intercept Capability	Fiscal Year 2015 Total Debt Service (2)	Coverage Ratio
Boroughs											
Aleutians East Borough	\$2,082,874	\$468,794	\$712,598	\$510,514	\$7,167,369	0	\$0	\$386,351	\$11,328,500	\$2,606,701	4.35
Municipality of Anchorage (3)	0	0	51,372,307	364,486,109	492,211,183	0	0	14,642,219	\$922,711,818	\$73,864	12,492.01
Haines Borough (3)	486,904	0	908,729	2,906,456	37,144,574	383,440	0	598,985	\$42,429,088	1,557,199	27.25
City & Borough of Juneau (3)	4,662,940	0	14,120,698	43,189,712	27,646,880	0	0	2,034,988	\$91,655,218	14,672,966	6.25
Kenai Peninsula Borough (3)	1,473,978	0	3,084,544	88,600,671	20,973,000	0	0	2,124,472	\$116,256,665	14,135,707	8.22
Ketchikan Gateway Borough	2,639,506	0	2,804,199	25,976,159	15,233,181	0	0	625,356	\$47,278,401	5,930,298	7.97
Kodiak Island Borough	1,222,846	932,676	4,190,420	28,835,618	8,537,000	0	0	699,804	\$44,418,364	7,858,622	5.65
Lake & Peninsula Borough	\$386,805	\$0	1,901,415	9,018,966	312,191	0	0	427,173	\$12,046,550	2,421,820	4.97
Northwest Arctic Borough (3)	6,695	0	4,228,145	37,807,275	13,376,093	944,172	0	427,738	\$56,790,118	6,314,353	8.99
Petersburg Borough (3)	1,056,400	0	492,518	6,151,396	13,761,675	308,020	512,947	534,072	\$22,817,028	1,569,502	14.54
City & Borough of Sitka (3)	1,641,483	0	2,519,241	15,254,347	40,710,278	694,660	0	905,101	\$61,725,110	11,757,786	5.25
Municipality of Skagway	3,485,620	0	0	789,803	12,891,013	0	0	430,183	\$17,596,619	493,810	35.63
City & Borough of Wrangell	409,023	0	205,940	3,592,431	7,650,935	578,010	0	595,505	\$13,031,844	364,675	35.74
Cities											
Adak (3)	\$256,322	\$0	\$0	\$0	\$0	\$0	\$0	\$109,309	\$365,631	106,687	3.43
Bethel*	\$3,937	\$0	\$0	\$0	\$31,894,450	\$0	\$804,164	\$391,252	\$33,093,803	\$295,225	112.10
Cordova	1,517,031	350,120	966,117	3,795,643	11,792,912	240,080	393,230	204,262	19,259,395	1,677,311	11.48
Dillingham	419,943	0	823,059	7,471,673	2,416,160	641,300	422,987	208,636	12,403,758	1,176,090	10.55
Hoonah	756,778	0	68,819	2,315,721	17,781,885	0	137,204	133,530	21,193,937	110,075	192.54
Homer*	197,140	0	0	0	7,943,000	753,410	0	337,544	9,231,094	287,350	32.12
Ketchikan*	2,465,255	0	0	0	31,224,726	0	0	486,957	34,176,938	9,263,665	3.69
Kenai*	363,172	0	0	0	13,669,600	0	14,252	436,824	14,483,848	176,198	82.20
King Cove*	524,085	0	0	0	1,061,040	0	0	139,926	1,725,051	263,927	6.54
Kodiak*	1,371,504	0	0	0	31,629,022	1,208,290	0	394,074	34,602,890	971,604	35.61
Nome (3)	54,785	0	222,509	9,776,384	24,635,000	0	438,945	268,081	35,395,704	714,455	49.54
North Pole*	61,605	0	0	0	2,906,821	0	0	199,888	3,168,314	104,800	30.23
Palmer*	151,713	0	0	0	13,640,852	0	0	382,175	14,174,740	266,450	53.20
Sand Point*	365,756	0	0	0	2,681,252	0	0	143,876	3,190,884	180,580	17.67
Saxman* (3)	0	0	0	0	256,925	0	0	115,329	372,254	3,277	113.60
Seward*	869,806	0	0	0	35,613,179	655,470	0	212,963	37,351,418	3,511,246	10.64
Soldotna*	46,057	0	0	0	10,743,145	0	0	297,475	11,086,677	216,905	51.11
Unalaska	8,542,195	367,445	688,179	5,081,413	2,043,498	762,050	763,584	318,779	18,567,143	3,764,804	4.93
Valdez	485,678	213,188	1,685,751	5,116,179	11,016,057	630,250	703,602	288,868	20,139,573	355,569	56.64
Wasilla*	252,454	0	0	0	17,877,620	0	0	489,403	18,619,477	422,263	44.09

* Communities that are located in a borough which operates the public schools in the community and receives that related Education Support Funding.

(1) Matching grants are appropriated by the Alaska State Legislature and can vary significantly from year to year.

(2) Includes annual debt service associated with bonds sold under the Bond Bank's 1976 Resolution.

(3) Borrowers to this issue.

APPENDIX C
Government Unit Statistics
Regarding Participation in the Bond Bank

APPENDIX C
GOVERNMENTAL UNIT STATISTICS
REGARDING PARTICIPATION IN THE BOND BANK

2005 GENERAL BOND RESOLUTION
OUTSTANDING LOAN PRINCIPAL TO GOVERNMENTAL UNIT BORROWERS OF THE
ALASKA MUNICIPAL BOND BANK
AS OF MAY 1, 2015
(Does Not Include 2015 Series Two Bonds)

Borrower	Outstanding Par	Percent of Outstanding
City and Borough of Sitka	149,500,000	16.70%
Kenai Peninsula Borough	117,545,000	13.13%
City and Borough of Juneau	113,890,000	12.72%
City of Ketchikan	106,490,000	11.89%
Kodiak Island Borough	86,395,000	9.65%
Ketchikan Gateway Borough	40,300,000	4.50%
City of Seward	37,635,000	4.20%
City of Unalaska	35,960,000	4.02%
Northwest Arctic Borough	39,055,000	4.36%
Aleutians East Borough	28,610,000	3.20%
Lake & Peninsula Borough	17,780,000	1.99%
City of Cordova	16,195,000	1.81%
City of Kodiak	13,205,000	1.47%
City of Dillingham	11,275,000	1.26%
Petersburg Borough	11,945,000	1.33%
Haines Borough	10,580,000	1.18%
City of Nome	5,615,000	0.63%
Municipality of Skagway	5,215,000	0.58%
Municipality of Anchorage	3,735,000	0.42%
City of Homer	3,605,000	0.40%
City of Bethel	2,790,000	0.31%
City of Valdez	2,725,000	0.30%
City of Sand Point	2,500,000	0.28%
City of King Cove	2,285,000	0.26%
City of Soldotna	2,120,000	0.24%
City of Craig	1,810,000	0.20%
City of Kenai	1,615,000	0.18%
City and Borough of Wrangell	1,550,000	0.17%
City of Wasilla	1,540,000	0.17%
City of Hoonah	1,135,000	0.13%
City of Palmer	860,000	0.10%
City of Adak	825,000	0.09%
City of North Pole	820,000	0.09%
City of Saxman	165,000	0.02%
Reserve Obligations	18,145,000	2.03%
Total Outstanding Par	\$895,415,000	100.00%

APPENDIX D

Summaries of Borrowers Representing
10% or More of Outstanding Principal of Bonds
Issued Under the 2005 General Bond Resolution

[To Be Updated]

Kenai Peninsula Borough - General Fund General Obligation Financial Summary							
Municipal Financial Position		2009	2010	2011	2012	2013	Average
Property Tax Collections							
Borrower's Property Tax Rate per \$1,000		\$4.50	\$4.50	\$4.50	\$4.50	\$4.50	\$4.50
Municipal Levy		\$26,779,449	\$28,875,124	\$29,058,274	\$30,419,493	\$30,823,497	\$58,500,541.80
Current Year's Collections		\$26,431,968	\$28,375,677	\$28,630,610	\$29,946,804	\$30,382,636	\$57,650,845
Current Collection Rate		98.70%	98.27%	98.53%	98.45%	98.57%	98.55%
Total Year's Collections		\$26,773,902	\$28,863,520	\$29,005,996	\$30,353,606	\$30,382,636	\$58,383,843.40
Total Collection Rate		99.98%	99.96%	99.82%	99.78%	98.57%	99.80%
General Fund							
Total Ending Fund Balance		\$ 25,138,217	\$ 23,025,423	\$ 21,705,814	\$ 21,466,583	\$ 23,310,985	
Unreserved Ending Fund Balance		\$ 24,604,294	\$ 22,864,839	\$ 21,454,058	\$ 21,268,520	\$ 16,296,148	\$40,527,575
Expenditures		\$ 69,119,691	\$ 70,829,556	\$ 72,163,558	\$ 71,347,868	\$ 72,452,478	\$129,385,561
Fund Balance/Expenditures		36%	32%	30%	30%	22%	30%
Total Revenues		\$ 69,797,834	\$ 68,716,762	\$ 70,799,893	\$ 71,108,637	\$ 74,255,493	\$129,722,052
Intergovernmental Revenues		\$ 9,477,866	\$ 8,987,813	\$ 8,538,331	\$ 9,749,464	\$ 10,392,037	\$16,271,826
Percentage Intergovernmental		14%	13%	12%	14%	14%	13%
Overall Municipal Debt Position							
Revenue Debt - Governmental Funds		\$ -	\$ -	\$ -	\$ -	\$ -	
Revenue Debt - Enterprise Funds		\$ -	\$ -	\$ -	\$ -	\$ -	
Total Revenue Debt		\$ -	\$ -	\$ -	\$ -	\$ -	
General Obligation Debt - Governmental Funds (General Fund only)		\$ 17,904,000	\$ 20,364,000	\$ 33,910,000	\$ 30,230,000	\$ 26,820,000	
General Obligation Debt - Enterprise Funds		\$ -	\$ -	\$ -	\$ -	\$ -	
Total General Obligation Debt		\$ 17,904,000	\$ 20,364,000	\$ 33,910,000	\$ 30,230,000	\$ 26,820,000	
Total Revenue and General Obligation Debt		\$ 17,904,000	\$ 20,364,000	\$ 33,910,000	\$ 30,230,000	\$ 26,820,000	
Governmental GO Debt/ Assessed Value (mry)		0.30%	0.32%	0.53%	0.46%	0.40%	
Enterprise GO Debt / Assessed Value (mry)		0.00%	0.00%	0.00%	0.00%	0.00%	
Total Revenue and GO Debt/A.V. (mry)		0.30%	0.32%	0.53%	0.46%	0.40%	
General Obligation Debt Per Capita		\$338	\$380	\$612	\$536	\$473	
Total Revenue and GO Debt Per Capita		\$338	\$380	\$612	\$536	\$473	
General Economic and Demographic Data							
Population		52,990	53,578	55,400	56,369	56,756	0.69%
Assessed Value		\$ 5,966,757,000	\$ 6,369,098,000	\$ 6,393,531,000	\$ 6,633,241,000	\$ 6,716,010,000	1.25%
Assessed Value Per Capita		\$ 112,602	\$ 118,875	\$ 115,407	\$ 117,675	\$ 118,331	
Top 10 Tax Payers as a % of Total Assessed Value		15.77%	15.23%	14.38%	16.18%	15.80%	
(mry): most recent year							

(1) 2013 Unreserved Fund Balance is Net of Note Receivable to the City of Homer in the amount of \$6,944,837 for installation of natural gas to community, secured by assessments on all benefited properties

CITY AND BOROUGH OF SITKA
GENERAL OBLIGATION FINANCIAL SUMMARY

Municipal Financial Position	2009	2010	2011	2012	2013	Average
Property Tax Collections						
Borrower's Property Tax Rate per \$1,000	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00	\$6.00
Municipal Levy	\$5,735,000	\$5,768,331	\$5,799,400	\$5,904,617	\$5,957,735	\$5,833,017
Current Year's Collections	\$5,689,030	\$5,735,962	\$5,753,039	\$5,874,918	\$5,893,452	\$5,789,280
Current Collection Rate	99.20%	99.44%	99.20%	99.50%	98.92%	99.25%
Total Year's Collections	\$5,746,123	\$5,801,822	\$5,807,869	\$5,909,321	\$5,893,452	\$5,831,717
Total Collection Rate	100.19%	100.58%	100.15%	100.08%	98.92%	99.98%
General Fund						
Unreserved Ending Fund Balance	\$ 7,193,254	\$ 8,853,936	\$ 11,508,475	\$ 13,584,873	\$ 14,268,394	\$ 11,081,786
Expenditures	\$ 23,817,458	\$ 23,597,203	\$ 23,260,649	\$ 24,075,729	\$ 23,691,912	\$ 23,688,590
Fund Balance/ Expenditures	30%	38%	49%	56%	60%	46.77%
Total Revenues	\$ 25,925,306	\$ 24,882,306	\$ 24,709,916	\$ 26,584,728	\$ 25,953,885	\$ 25,611,228
Intergovernmental Revenues	\$ 2,393,157	\$ 2,219,501	\$ 2,380,298	\$ 2,659,323	\$ 2,693,860	\$ 2,469,228
Percentage Intergovernmental	9%	9%	10%	10%	10%	9.63%
Overall Municipal Debt Position						
Revenue Debt - Enterprise Funds	\$ 50,517,063	\$ 48,467,078	\$ 68,807,401	\$ 68,593,411	\$ 106,145,822	
Revenue Debt - Governmental Funds	\$ 185,250	\$ 175,500	\$ 165,750	\$ 156,000	\$ 146,250	
General Obligation Debt - Governmental Funds	\$ 34,410,000	\$ 32,550,000	\$ 36,300,000	\$ 32,290,000	\$ 31,020,000	
General Obligation Debt - Enterprise Funds	\$ -	\$ -	\$ -	\$ -	\$ -	
Total General Obligation Debt	\$ 34,410,000	\$ 32,550,000	\$ 36,300,000	\$ 32,290,000	\$ 31,020,000	
Total Revenue and General Obligation Debt	\$ 85,112,313	\$ 81,192,578	\$ 105,273,151	\$ 101,039,411	\$ 137,312,072	
Governmental GO Debt/Taxable Assessed Value	3.65%	3.42%	3.69%	3.26%	3.10%	
Total Revenue and GO Debt/A.V.	9.04%	8.52%	10.69%	10.20%	13.72%	
General Obligation Debt Per Capita	\$3,989	\$3,665	\$4,138	\$3,607	\$3,415	
Total Revenue and GO Debt Per Capita	\$9,866	\$9,142	\$12,000	\$11,287	\$15,116	
General Economic and Demographic Data	2009	2010	2011	2012	2012	Annual Growth Rate
Population	8,627	8,881	8,773	8,952	9,084	1.47%
Taxable Assessed Value	\$ 941,464,880	\$ 953,574,685	\$ 985,073,129	\$ 990,930,238	\$ 1,001,066,784	0.59%
Assessed Value Per Capita	\$ 109,130	\$ 107,372	\$ 112,285	\$ 110,694	\$ 110,201	
Top 10 Tax Payers as a % of Assessed Value	8.36%	8.21%	7.64%	7.57%	7.57%	

City and Borough of Sitka Electric Enterprise Fund Financial Summary					
	2009 Audited	2010 Audited	2011 Audited	2012 Audited	2013 Audited
Assets					
Cash	8,993,721	8,868,159	24,320,421	31,450,650	28,803,187
Restricted Assets	7,376,785	7,149,277	6,871,164	3,595,875	21,197,459
Other Assets	3,602,067	4,256,023	5,010,167	7,266,275	13,897,615
Construction in Progress	2,883,684	5,555,467	11,646,987	18,086,724	58,930,539
Utility Plant in Service	66,094,407	64,914,833	63,103,150	61,775,003	59,900,343
Total Assets	88,950,664	90,743,759	110,951,889	122,174,527	182,729,143
Liabilities and Net Assets					
Liabilities					
Other Liabilities	419,304	636,920	1,722,772	2,477,182	6,355,564
Revenue Bonds Payable	30,395,000	28,090,000	48,700,000	47,570,000	79,485,000
Deferred loss/premium on bonds	(954,781)	(815,343)	1,471,509	(1,711,547)	5,943,338
Revenue Note Payable	9,299,130	9,054,598	8,800,188	8,535,498	7,973,608
Total Liabilities	39,158,653	36,966,175	60,694,469	56,871,133	99,757,510
Net Assets	49,792,011	53,777,584	50,257,420	65,303,394	82,971,633
Operating Revenues	11,846,117	10,852,914	11,401,523	11,611,319	12,077,554
Operating Expenses					
Administrative and General	1,955,508	1,699,737	1,739,698	2,003,768	1,975,492
Operation and Maintenance	4,465,023	4,366,115	5,257,342	5,914,895	5,152,028
Depreciation	1,998,438	1,994,177	1,987,558	1,971,739	1,986,195
Operating Income	3,427,148	2,792,885	2,416,925	1,720,917	2,963,839
Nonoperating revenue (expense)					
Investment Income	642,422	523,298	490,986	459,107	314,600
Interest Expense	(2,469,192)	(2,369,426)	(1,725,198)	(2,848,639)	(1,678,238)
Other	351,823	208,962	-	625,748	572,946
Net Income before contributions and transfers	1,952,201	1,155,719	1,182,713	(42,867)	2,173,147
Capital contributions	603,582	2,853,752	4,039,237	5,266,050	17,169,455
Extraordinary Item:					
Net Pension Obligation Relief	281,345		119,824	139,806	325,771
Transfer In (Out) net	-	(23,898)	-	-	(998,128)
Change In Net Assets	2,837,128	3,985,573	5,341,774	5,362,989	18,670,245
Population of City and Borough	8,627	8,881	8,773	8,952	9,084
# of electric customers	5,257	5,278	5,282	5,309	5,403
KwH Sold	114,866,192	108,739,970	111,795,344	111,048,623	111,155,330
Revenue Bond Debt Service	4,106,690	4,108,407	3,477,959	3,467,567	4,529,240
Revenue Bond Coverage (> 1.25)	1.56	1.34	1.41	1.43	1.27

Note: \$1,440,000 transferred into Rate Stabilization Fund in FY2013

Note: Total of rate Stabilization Fund as of June 30, 2013 - \$2,151,000

CITY AND BOROUGH OF JUNEAU
FINANCIAL SUMMARY
General Governmental Fund

Municipal Financial Position	2009	2010	2011	2012	2013	Average
Property Tax Collections						
Borrower's Property Tax Rate per \$1,000	\$10.37	\$10.60	\$10.51	\$10.55	\$10.55	\$10.52
Municipal Levy	\$40,446,577	\$41,048,853	\$40,739,944	\$41,751,673	\$44,252,019	\$41,647,813
Current Year's Collections	\$40,159,018	\$40,691,450	\$40,329,083	\$41,431,682	\$43,987,108	\$41,319,668
Current Collection Rate	99.29%	99.13%	98.99%	99.23%	99.40%	99.21%
Total Year's Collections	\$40,159,018	\$40,691,450	\$40,329,083	\$41,431,682	\$43,987,108	\$41,319,668
Total Collection Rate	99.29%	99.13%	98.99%	99.23%	99.40%	99.21%
General Fund						
Unassigned Plus Emergency Operating Res (GASB#54)	\$ 5,479,594	\$ 5,714,731	\$ 1,729,385	\$ 3,438,792	\$ 4,374,670	\$ 4,147,434
Expenditures	\$ 48,556,036	\$ 49,158,125	\$ 50,540,314	\$ 51,283,781	\$ 50,497,977	\$ 50,007,247
Fund Balance/Expenditures	11.29%	11.63%	3.42%	6.71%	8.66%	8.34%
Total Revenues	\$ 67,503,826	\$ 66,541,842	\$ 66,008,466	\$ 50,055,357	\$ 52,089,033	\$ 60,439,705
Intergovernmental Revenues	\$ 14,141,624	\$ 12,389,683	\$ 14,313,000	\$ 15,464,700	\$ 15,281,700	\$ 14,318,141
Percentage Intergovernmental	21%	19%	22%	31%	29%	24.30%
Overall Municipal Debt Position						
Revenue Debt - Enterprise Funds	\$ 47,552,969	\$ 46,370,845	\$ 45,208,341	\$ 43,679,682	\$ 41,906,067	
Revenue Debt - Governmental Funds	\$ 2,888,891	\$ 2,718,662	\$ 3,599,575	\$ 2,861,747	\$ 2,091,457	
General Obligation Debt - Governmental Funds	\$ 142,543,000	\$ 156,356,000	\$ 148,301,000	\$ 133,446,000	\$ 131,385,000	
General Obligation Debt - Enterprise Funds	\$ -	\$ -	\$ -	\$ -	\$ -	
Total General Obligation Debt	\$ 142,543,000	\$ 156,356,000	\$ 148,301,000	\$ 133,446,000	\$ 131,385,000	
Total Revenue and General Obligation Debt	\$ 192,984,860	\$ 205,445,507	\$ 197,108,916	\$ 179,987,429	\$ 175,382,524	
Governmental GO Debt/Taxable Assessed Value	3.60%	3.98%	3.72%	3.28%	3.07%	
Total Revenue and GO Debt/A.V.	4.87%	5.22%	4.94%	4.42%	4.10%	
General Obligation Debt Per Capita	\$4,641	\$4,999	\$4,742	\$4,133	\$4,069	
Total Revenue and GO Debt Per Capita	\$6,284	\$6,569	\$6,302	\$5,574	\$5,431	
General Economic and Demographic Data	2009	2010	2011	2012	2013	Annual
Population	30,711	31,275	31,275	32,290	32,290	3.25%
Taxable Assessed Value	\$ 3,964,306,237	\$ 3,933,364,442	\$ 3,989,344,944	\$ 4,071,713,732	\$ 4,275,067,217	7.16%
Assessed Value Per Capita	\$ 129,084	\$ 125,767	\$ 127,557	\$ 126,098	\$ 132,396	
Top 10 Tax Payers as a % of Assessed Value	9.60%	10.52%	13.78%	13.73%	13.82%	

**CITY AND BOROUGH OF JUNEAU
HARBOR ENTERPRISE FUND
FINANCIAL SUMMARY**

	2009 Audited	2010 Audited	2011 Audited	2012 Audited	2013 Audited
ASSETS					
Plant In-Service (net of depreciation)	\$13,081,747	\$11,923,364	\$13,827,335	\$12,844,129	\$11,875,368
Construction Work in Progress	27,841,706	29,935,711	29,889,294	33,499,769	42,397,974
Cash	3,299,922	4,470,053	4,728,522	4,660,755	3,466,374
Restricted Assets	9,929,753	7,588,584	10,702,703	11,196,479	10,946,328
Other Assets	1,178,214	866,059	764,741	847,869	543,407
Total Assets	<u>55,331,342</u>	<u>54,783,771</u>	<u>59,912,595</u>	<u>63,049,001</u>	<u>69,229,451</u>
LIABILITIES AND NET ASSETS					
Revenue Bonds Payable	10,210,000	9,960,000	9,700,000	9,691,595	9,380,434
Other Liabilities	2,590,015	1,726,240	2,110,290	2,140,909	1,401,365
Total Liabilities	<u>12,800,015</u>	<u>11,686,240</u>	<u>11,810,290</u>	<u>11,832,504</u>	<u>10,781,799</u>
NET ASSETS	<u>42,531,327</u>	<u>43,097,531</u>	<u>48,102,305</u>	<u>51,216,497</u>	<u>58,447,652</u>
Operating Revenues	2,630,220	3,040,330	2,854,858	3,154,885	3,173,272
Operation and Maintenance	2,396,922	2,133,877	2,492,110	2,434,329	2,498,178
Administrative and General	-	-	-	-	-
Depreciation	1,048,281	799,254	899,956	986,619	968,761
Operating Income (Loss)	<u>(814,983)</u>	<u>107,199</u>	<u>(537,208)</u>	<u>(266,063)</u>	<u>(293,667)</u>
Non-Operating Revenue (Expense)	<u>422,169</u>	<u>(183,181)</u>	<u>46,509</u>	<u>155,306</u>	<u>(214,686)</u>
Net Income (Loss) Before Contribution	<u>(392,814)</u>	<u>(75,982)</u>	<u>(490,699)</u>	<u>(110,757)</u>	<u>(508,353)</u>
Capital Contributions	317,339	242,186	1,690,873	2,549,949	7,392,466
Net Transfers-In (Out)	3,250,000	400,000	3,804,600	675,000	500,000
Special item - NPO/OPEB write off	338,771				
Change in Net Assets	<u>3,513,296</u>	<u>566,204</u>	<u>5,004,774</u>	<u>3,114,192</u>	<u>7,384,113</u>
Population of City	30,711	31,275	31,275	32,290	32,290
Revenue Bond Coverage	1.67	2.19	1.19	1.79	1.21

Conduit Debt
WILDFLOWER COURT (A not for profit organization)
FINANCIAL SUMMARY

	2008	2009	2010	2011	2012
	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>	<u>Audited</u>
ASSETS					
Plant In-Service	7,422,377	6,520,271	5,674,338	4,909,305	4,620,999
Cash	1,162,402	1,500,220	1,255,867	1,582,128	1,752,043
Restricted Assets	1,756,235	1,760,358	1,735,178	1,707,402	2,170,928
Other Assets	1,149,867	1,142,642	1,312,915	1,399,517	1,444,749
Total Assets	<u>11,490,881</u>	<u>10,923,491</u>	<u>9,978,298</u>	<u>9,598,352</u>	<u>9,988,719</u>
LIABILITIES AND NET ASSETS					
Bond Debt	14,850,000	14,250,000	13,650,000	13,050,000	11,705,000
Other Liabilities	<u>923,777</u>	<u>872,825</u>	<u>878,190</u>	<u>904,428</u>	<u>2,052,663</u>
Total Liabilities	<u>15,773,777</u>	<u>15,122,825</u>	<u>14,528,190</u>	<u>13,954,428</u>	<u>13,757,663</u>
NET ASSETS (DEFICIT)	<u>(4,282,896)</u>	<u>(4,199,334)</u>	<u>(4,549,892)</u>	<u>(4,356,076)</u>	<u>(3,768,944)</u>
Operating Revenues	8,972,432	10,290,008	10,361,609	10,859,195	10,841,324
Operating Expenses	8,438,613	9,302,040	9,802,944	9,894,353	9,594,317
Depreciation	<u>988,053</u>	<u>951,871</u>	<u>937,147</u>	<u>832,579</u>	<u>780,765</u>
Operating Income (Loss)	<u>(454,234)</u>	<u>36,097</u>	<u>(378,482)</u>	<u>132,263</u>	<u>466,243</u>
Non-Operating Revenue (Expense)	<u>31,574</u>	<u>47,465</u>	<u>27,924</u>	<u>61,553</u>	<u>120,890</u>
Change in Net Assets	(422,660)	83,562	(350,558)	193,816	587,132
Revenue Bond Coverage	1.10	1.27	1.01	1.33	1.32

*This facility is a component unit of the City of Seward.

**CITY AND BOROUGH OF JUNEAU
BARTLETT REGIONAL HOSPITAL
FINANCIAL SUMMARY**

	2009 Audited	2010 Audited	2011 Audited	2012 Audited	2013 Audited
ASSETS					
Plant In-Service (net of depreciation)	\$71,272,745	\$74,736,663	\$72,772,410	\$74,566,327	\$74,002,798
Construction Work in Progress	8,224,160	3,126,611	6,866,781	6,202,224	2,826,314
Cash	16,297,926	18,036,202	14,990,308	17,386,169	26,113,833
Restricted Assets	5,462,944	8,555,051	10,160,114	6,549,498	5,490,768
Other Assets	17,751,193	20,549,937	23,011,263	23,462,113	25,230,206
Total Assets	<u>119,008,968</u>	<u>125,004,464</u>	<u>127,800,876</u>	<u>128,166,331</u>	<u>133,663,919</u>
LIABILITIES AND NET ASSETS					
Revenue Bonds Payable	26,740,000	26,165,000	25,570,000	24,926,795	25,304,679
Other Liabilities	10,484,387	11,066,147	11,391,053	8,999,867	8,829,067
Total Liabilities	<u>37,224,387</u>	<u>37,231,147</u>	<u>36,961,053</u>	<u>33,926,662</u>	<u>34,133,746</u>
NET ASSETS	<u>81,784,581</u>	<u>87,773,317</u>	<u>90,839,823</u>	<u>94,239,669</u>	<u>99,530,173</u>
Operating Revenues	76,333,369	82,640,681	90,680,836	95,026,373	84,250,207
Operation and Maintenance	66,831,133	72,975,632	83,883,389	89,411,913	76,967,444
Administrative and General	-	-	-	-	-
Depreciation	5,474,872	6,270,565	6,552,177	7,145,290	7,001,295
Operating Income (Loss)	<u>4,027,364</u>	<u>3,394,484</u>	<u>245,270</u>	<u>(1,530,830)</u>	<u>281,468</u>
Non-Operating Revenue (Expense)	<u>243,415</u>	<u>911,555</u>	<u>1,579,634</u>	<u>3,306,366</u>	<u>4,119,820</u>
Net Income (Loss) Before Contribution	4,270,779	4,306,039	1,824,904	1,775,536	4,401,288
Capital Contributions	870,700	536,697	89,002	471,910	134,658
Net Transfers-In (Out)	1,103,000	1,146,000	1,152,600	1,152,400	1,123,000
Special item - NPO/OPEB write off	1,006,456				
Change in Net Assets	<u>7,250,935</u>	<u>5,988,736</u>	<u>3,066,506</u>	<u>3,399,846</u>	<u>5,658,946</u>
Population of City	30,711	31,275	31,275	32,290	32,290
Revenue Bond Coverage	5.07	5.15	3.63	3.00	4.33

APPENDIX E

Financial Statements of the
Alaska Municipal Bond Bank
for the Year Ended June 30, 2014

APPENDIX F

2005 General Obligation Bond Resolution

APPENDIX G

DTC and Book-Entry System

DTC AND BOOK-ENTRY SYSTEM

1. The Depository Trust Company ("DTC"), New York, NY, will act as securities depository for the 2015 Series Two Bonds. The 2015 Series Two Bonds will be issued as fully-registered securities registered in the name of Cede & Co. (DTC's partnership nominee) or such other name as may be requested by an authorized representative of DTC. One fully-registered certificate will be issued for each maturity of each sub-series of the 2015 Series Two Bonds in the aggregate principal amount of such maturity, and will be deposited with DTC.

2. DTC, the world's largest securities depository, is a limited-purpose trust company organized under the New York Banking Law, a "banking organization" within the meaning of the New York Banking Law, a member of the Federal Reserve System, a "clearing corporation" within the meaning of the New York Uniform Commercial Code, and a "clearing agency" registered pursuant to the provisions of Section 17A of the Securities Exchange Act of 1934. DTC holds and provides asset servicing for over 3.5 million issues of U.S. and non-U.S. equity issues, corporate and municipal debt issues, and money market instruments (from over 100 countries) that DTC's participants ("Direct Participants") deposit with DTC. DTC also facilitates the post-trade settlement among Direct Participants of sales and other securities transactions in deposited securities, through electronic computerized book-entry transfers and pledges between Direct Participants' accounts. This eliminates the need for physical movement of securities certificates. Direct Participants include both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, clearing corporations, and certain other organizations. DTC is a wholly-owned subsidiary of The Depository Trust & Clearing Corporation ("DTCC"). DTCC is the holding company for DTC, National Securities Clearing Corporation and Fixed Income Clearing Corporation, all of which are registered clearing agencies. DTCC is owned by the users of its regulated subsidiaries. Access to the DTC system is also available to others such as both U.S. and non-U.S. securities brokers and dealers, banks, trust companies, and clearing corporations that clear through or maintain a custodial relationship with a Direct Participant, either directly or indirectly ("Indirect Participants"). DTC has a rating from Standard & Poor's of AA+. The DTC Rules applicable to its Participants are on file with the Securities and Exchange Commission. More information about DTC can be found at www.dtcc.com.

3. Purchases of 2015 Series Two Bonds under the DTC system must be made by or through Direct Participants, which will receive a credit for the 2015 Series Two Bonds on DTC's records. The ownership interest of each actual purchaser of each 2015 Series Two Bond ("Beneficial Owner") is in turn to be recorded on the Direct and Indirect Participants records. Beneficial Owners will not receive written confirmation from DTC of their purchase. Beneficial Owners are, however, expected to receive written confirmations providing details of the transaction, as well as periodic statements of their holdings, from the Direct or Indirect Participant through which the Beneficial Owner entered into the transaction. Transfers of ownership interests in the 2015 Series Two Bonds are to be accomplished by entries made on the books of Direct and Indirect Participants acting on behalf of Beneficial Owners. Beneficial Owners will not receive certificates representing their ownership interests in 2015 Series Two Bonds, except in the event that use of the book-entry system for the 2015 Series Two Bonds is discontinued.

4. To facilitate subsequent transfers, all 2015 Series Two Bonds deposited by Direct Participants with DTC are registered in the name of DTC's partnership nominee, Cede & Co., or such other name as may be requested by an authorized representative of DTC. The deposit of 2015 Series Two Bonds with DTC and their registration in the name of Cede & Co. or such other DTC nominee do not effect any change in beneficial ownership. DTC has no knowledge of the actual Beneficial Owners of the 2015 Series Two Bonds; DTC's records reflect only the identity of the Direct Participants to whose accounts such 2015 Series Two Bonds are credited,

which may or may not be the Beneficial Owners. The Direct and Indirect Participants will remain responsible for keeping account of their holdings on behalf of their customers.

5. Conveyance of notices and other communications by DTC to Direct Participants, by Direct Participants to Indirect Participants, and by Direct Participants and Indirect Participants to Beneficial Owners will be governed by arrangements among them, subject to any statutory or regulatory requirements as may be in effect from time to time. Beneficial Owners of 2015 Series Two Bonds may wish to take certain steps to augment the transmission to them of notices of significant events with respect to the 2015 Series Two Bonds, such as redemptions, tenders, defaults, and proposed amendments to the 2015 Series Two Bond documents. For example, Beneficial Owners of 2015 Series Two Bonds may wish to ascertain that the nominee holding the 2015 Series Two Bonds for their benefit has agreed to obtain and transmit notices to Beneficial Owners. In the alternative, Beneficial Owners may wish to provide their names and addresses to the registrar and request that copies of notices be provided directly to them.

6. Redemption notices shall be sent to DTC. If less than all of the 2015 Series Two Bonds within a maturity of a sub-series are being redeemed, DTC's practice is to determine by lot the amount of the interest of each Direct Participant in such maturity to be redeemed.

7. Neither DTC nor Cede & Co. (nor any other DTC nominee) will consent or vote with respect to 2015 Series Two Bonds unless authorized by a Direct Participant in accordance with DTC's MMI Procedures. Under its usual procedures, DTC mails an Omnibus Proxy to the Bond Bank as soon as possible after the record date. The Omnibus Proxy assigns Cede & Co.'s consenting or voting rights to those Direct Participants to whose accounts 2015 Series Two Bonds are credited on the record date (identified in a listing attached to the Omnibus Proxy).

8. Payments on the 2015 Series Two Bonds will be made to Cede & Co., or such other nominee as may be requested by an authorized representative of DTC. DTC's practice is to credit Direct Participants' accounts upon DTC's receipt of funds and corresponding detail information from the Bond Bank or the Trustee, on payable date in accordance with their respective holdings shown on DTC's records. Payments by Participants to Beneficial Owners will be governed by standing instructions and customary practices, as is the case with securities held for the accounts of customers in bearer form or registered in "street name," and will be the responsibility of such Participant and not of DTC, the Bond Bank or the Trustee, subject to any statutory or regulatory requirements as may be in effect from time to time. Payment of principal and interest payments on the Bonds to Cede & Co. (or such other nominee as may be requested by an authorized representative of DTC) is the responsibility of the Bond Bank or the Trustee, disbursement of such payments to Direct Participants will be the responsibility of DTC, and disbursement of such payments to the Beneficial Owners will be the responsibility of Direct and Indirect Participants.

9. DTC may discontinue providing its services as depository with respect to the 2015 Series Two Bonds at any time by giving reasonable notice to the Bond Bank or the Trustee. Under such circumstances, in the event that a successor depository is not obtained, 2015 Series Two Bond certificates are required to be printed and delivered.

10. The Bond Bank may decide to discontinue use of the system of book-entry-only transfers through DTC (or a successor securities depository). In that event, 2015 Series Two Bond certificates will be printed and delivered to DTC.

11. The information in this section concerning DTC and DTC's book-entry system has been obtained from sources that the Bond Bank believes to be reliable, but the Bond Bank takes no responsibility for the accuracy thereof.

SOURCES AND USES OF FUNDS

Alaska Municipal Bond Bank Series 2015 Two
Alaska Municipal Bond Bank Series 2015 Two

Sources:	Cordova Civic Center Project	Skagway Public Safety Building	Juneau 2015 AMT Dock Loan	Skagway 2015 Port Project	Juneau Refunding of 2005 School Bonds	Juneau 2007 Harbor Bond Refunding	Kenai Peninsula Borough 2007 Refunding	Seward 2008I Refunding	Seward 2008II Refunding	Skagway 2008II Refunding	Total
Bond Proceeds:											
Par Amount	2,615,000.00	10,515,000.00	22,695,000.00	4,625,000.00	3,200,000.00	6,830,000.00	8,465,000.00	19,575,000.00	4,660,000.00	2,935,000.00	86,115,000.00
Premium	412,666.75	1,538,684.50	1,963,239.40	401,261.55	170,562.30	1,190,091.25	1,435,958.60	3,409,297.20	782,522.10	499,463.45	11,803,747.10
	3,027,666.75	12,053,684.50	24,658,239.40	5,026,261.55	3,370,562.30	8,020,091.25	9,900,958.60	22,984,297.20	5,442,522.10	3,434,463.45	97,918,747.10
Other Sources of Funds:											
AMBB COI Grant	5,098.52	20,501.28	44,248.87	9,017.45	6,239.10						85,105.22
Existing Debt Service Reserve Fund			408,075.00			753,159.38		1,973,360.00	396,036.26		3,530,630.64
	5,098.52	20,501.28	452,323.87	9,017.45	6,239.10	753,159.38		1,973,360.00	396,036.26		3,615,735.86
	3,032,765.27	12,074,185.78	25,110,563.27	5,035,279.00	3,376,801.40	8,773,250.63	9,900,958.60	24,957,657.20	5,838,558.36	3,434,463.45	101,534,482.96
Uses:	Cordova Civic Center Project	Skagway Public Safety Building	Juneau 2015 AMT Dock Loan	Skagway 2015 Port Project	Juneau Refunding of 2005 School Bonds	Juneau 2007 Harbor Bond Refunding	Kenai Peninsula Borough 2007 Refunding	Seward 2008I Refunding	Seward 2008II Refunding	Skagway 2008II Refunding	Total
Project Fund Deposits:											
Project Fund Deposit	3,000,000.00	12,000,000.00	23,000,000.00	5,000,000.00							43,000,000.00
Refunding Escrow Deposits:											
Cash Deposit					3,358,148.69	0.07	0.33	0.60	0.21	0.85	3,358,150.75
SLGS Purchases						8,730,490.00	9,837,364.00	22,977,827.00	5,435,965.00	3,411,179.00	50,392,825.00
					3,358,148.69	8,730,490.07	9,837,364.33	22,977,827.60	5,435,965.21	3,411,179.85	53,750,975.75
Other Fund Deposits:											
Debt Service Reserve Fund			1,968,750.00					1,857,500.00	372,750.00		4,199,000.00
Cost of Issuance:											
AMBB Financial Advisor	1,518.32	6,105.21	13,177.15	2,685.36	1,857.98	3,965.63	4,914.94	11,365.62	2,705.68	1,704.11	50,000.00
AMBB Bond Counsel	1,670.15	6,715.73	14,494.86	2,953.90	2,043.78	4,362.19	5,406.43	12,502.18	2,976.25	1,874.53	55,000.00
AMBB Trustee	12.15	48.84	105.42	21.48	14.86	31.73	39.32	90.92	21.65	13.63	400.00
Miscellaneous	75.92	305.26	658.86	134.27	92.90	198.28	245.75	568.28	135.28	85.20	2,500.00
Fitch Fees	910.99	3,663.12	7,906.29	1,611.22	1,114.79	2,379.38	2,948.96	6,819.37	1,623.41	1,022.47	30,000.00
S&P Fees	910.99	3,663.12	7,906.29	1,611.22	1,114.79	2,379.38	2,948.96	6,819.37	1,623.41	1,022.47	30,000.00
	5,098.52	20,501.28	44,248.87	9,017.45	6,239.10	13,316.59	16,504.36	38,165.74	9,085.68	5,722.41	167,900.00
Delivery Date Expenses:											
Underwriter's Discount	7,640.41	32,844.67	69,204.25	14,075.00	7,571.74	20,266.68	23,998.58	58,086.82	14,408.51	8,328.84	256,425.50
Borrower Costs of Issuance	20,000.00	20,361.00	27,740.26	8,955.74	3,911.38	8,348.36	20,000.00	24,231.48	5,768.52	5,683.26	145,000.00
Verification Agent					280.30	598.27	741.49	1,714.66	408.19	257.09	4,000.00
	27,640.41	53,205.67	96,944.51	23,030.74	11,763.42	29,213.31	44,740.07	84,032.96	20,585.22	14,269.19	405,425.50
Other Uses of Funds:											
Additional Proceeds	26.34	478.83	619.89	3,230.81	650.19	230.66	2,349.84	130.90	172.25	3,292.00	11,181.71
	3,032,765.27	12,074,185.78	25,110,563.27	5,035,279.00	3,376,801.40	8,773,250.63	9,900,958.60	24,957,657.20	5,838,558.36	3,434,463.45	101,534,482.96

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Cordova Civic Center Project

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	115,000	2.000%	0.300%	101.258
	03/01/2017	90,000	2.000%	0.600%	102.421
	03/01/2018	90,000	3.000%	0.950%	105.534
	03/01/2019	95,000	3.000%	1.350%	105.999
	03/01/2020	95,000	4.000%	1.600%	110.915
	03/01/2021	100,000	4.000%	1.750%	112.237
	03/01/2022	105,000	4.000%	1.950%	112.889
	03/01/2023	110,000	4.000%	2.000%	114.275
	03/01/2024	115,000	5.000%	2.200%	122.153
	03/01/2025	120,000	5.000%	2.300%	123.440
	03/01/2026	125,000	5.000%	2.400%	122.462 C
	03/01/2027	130,000	5.000%	2.500%	121.493 C
	03/01/2028	140,000	5.000%	2.650%	120.056 C
	03/01/2029	145,000	5.000%	2.750%	119.109 C
	03/01/2030	155,000	5.000%	2.800%	118.639 C
	03/01/2031	160,000	5.000%	2.850%	118.171 C
	03/01/2032	170,000	5.000%	2.900%	117.706 C
	03/01/2033	175,000	5.000%	2.950%	117.242 C
	03/01/2034	185,000	5.000%	3.000%	116.781 C
	03/01/2035	195,000	5.000%	3.050%	116.322 C
	03/01/2036		5.000%	3.100%	115.865 C
	03/01/2037		5.000%	3.150%	115.411 C
	03/01/2038		5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		2,615,000			

Dated Date	06/04/2015
Delivery Date	06/04/2015
First Coupon	09/01/2015

Par Amount	2,615,000.00
Premium	412,666.75

Production	3,027,666.75	115.780755%
Underwriter's Discount	-7,640.41	-0.292176%

Purchase Price	3,020,026.34	115.488579%
Accrued Interest		

Net Proceeds	3,020,026.34
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BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Skagway Public Safety Building

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	305,000	2.000%	0.300%	101.258
	03/01/2017	180,000	2.000%	0.600%	102.421
	03/01/2018	185,000	3.000%	0.950%	105.534
	03/01/2019	190,000	3.000%	1.350%	105.999
	03/01/2020	195,000	4.000%	1.600%	110.915
	03/01/2021	205,000	4.000%	1.750%	112.237
	03/01/2022	210,000	4.000%	1.950%	112.889
	03/01/2023	220,000	4.000%	2.000%	114.275
	03/01/2024	230,000	5.000%	2.200%	122.153
	03/01/2025	240,000	5.000%	2.300%	123.440
	03/01/2026	255,000	5.000%	2.400%	122.462 C
	03/01/2027	265,000	5.000%	2.500%	121.493 C
	03/01/2028	280,000	5.000%	2.650%	120.056 C
	03/01/2029	295,000	5.000%	2.750%	119.109 C
	03/01/2030	305,000	5.000%	2.800%	118.639 C
	03/01/2031	320,000	5.000%	2.850%	118.171 C
	03/01/2032	340,000	5.000%	2.900%	117.706 C
	03/01/2033	355,000	5.000%	2.950%	117.242 C
	03/01/2034	375,000	5.000%	3.000%	116.781 C
	03/01/2035	390,000	5.000%	3.050%	116.322 C
	03/01/2036	410,000	5.000%	3.100%	115.865 C
	03/01/2037	430,000	5.000%	3.150%	115.411 C
	03/01/2038	455,000	5.000%	3.200%	114.958 C
	03/01/2039	475,000	5.000%	3.250%	114.507 C
	03/01/2040	500,000	5.000%	3.300%	114.059 C
	03/01/2041	525,000	5.000%	3.350%	113.613 C
	03/01/2042	550,000	5.000%	3.400%	113.168 C
	03/01/2043	580,000	5.000%	3.450%	112.726 C
	03/01/2044	610,000	5.000%	3.500%	112.286 C
	03/01/2045	640,000	5.000%	3.550%	111.848 C
		10,515,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	10,515,000.00	
Premium	1,538,684.50	
Production	12,053,684.50	114.633233%
Underwriter's Discount	-32,844.67	-0.312360%
Purchase Price	12,020,839.83	114.320873%
Accrued Interest		
Net Proceeds	12,020,839.83	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2015 AMT Dock Loan

Bond Component	Maturity Date	Amount	Rate	Yield	Price
AMT Serial Bond Maturities:					
	03/01/2016	790,000	2.000%	0.800%	100.885
	03/01/2017	535,000	2.000%	1.100%	101.547
	03/01/2018	540,000	3.000%	1.450%	104.150
	03/01/2019	560,000	3.000%	1.850%	104.137
	03/01/2020	575,000	4.000%	2.100%	108.530
	03/01/2021	600,000	4.000%	2.250%	109.373
	03/01/2022	625,000	4.000%	2.450%	109.575
	03/01/2023	650,000	4.000%	2.500%	109.250 C
	03/01/2024	675,000	5.000%	2.700%	114.085 C
	03/01/2025	705,000	5.000%	2.800%	113.426 C
	03/01/2026	745,000	5.000%	2.900%	112.771 C
	03/01/2027	780,000	5.000%	3.000%	112.120 C
	03/01/2028	820,000	5.000%	3.150%	111.153 C
	03/01/2029	860,000	5.000%	3.250%	110.513 C
	03/01/2030	900,000	5.000%	3.300%	110.195 C
	03/01/2031	950,000	5.000%	3.350%	109.878 C
	03/01/2032	995,000	5.000%	3.400%	109.562 C
	03/01/2033	1,050,000	5.000%	3.450%	109.247 C
	03/01/2034	1,100,000	5.000%	3.500%	108.933 C
	03/01/2035	1,150,000	5.000%	3.550%	108.620 C
	03/01/2036	1,210,000	5.000%	3.600%	108.308 C
	03/01/2037	1,270,000	5.000%	3.650%	107.998 C
	03/01/2038	1,335,000	5.000%	3.700%	107.688 C
	03/01/2039	1,400,000	5.000%	3.750%	107.379 C
	03/01/2040	1,875,000	5.000%	3.800%	107.072 C
		22,695,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	22,695,000.00	
Premium	1,963,239.40	
Production	24,658,239.40	108.650537%
Underwriter's Discount	-69,204.25	-0.304932%
Purchase Price	24,589,035.15	108.345605%
Accrued Interest		
Net Proceeds	24,589,035.15	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2015 Port Project

Bond Component	Maturity Date	Amount	Rate	Yield	Price
AMT Serial Bond Maturities:					
	03/01/2016	165,000	2.000%	0.800%	100.885
	03/01/2017	110,000	2.000%	1.100%	101.547
	03/01/2018	115,000	3.000%	1.450%	104.150
	03/01/2019	115,000	3.000%	1.850%	104.137
	03/01/2020	120,000	4.000%	2.100%	108.530
	03/01/2021	125,000	4.000%	2.250%	109.373
	03/01/2022	130,000	4.000%	2.450%	109.575
	03/01/2023	135,000	4.000%	2.500%	109.250 C
	03/01/2024	140,000	5.000%	2.700%	114.085 C
	03/01/2025	145,000	5.000%	2.800%	113.426 C
	03/01/2026	155,000	5.000%	2.900%	112.771 C
	03/01/2027	160,000	5.000%	3.000%	112.120 C
	03/01/2028	170,000	5.000%	3.150%	111.153 C
	03/01/2029	180,000	5.000%	3.250%	110.513 C
	03/01/2030	190,000	5.000%	3.300%	110.195 C
	03/01/2031	195,000	5.000%	3.350%	109.878 C
	03/01/2032	205,000	5.000%	3.400%	109.562 C
	03/01/2033	215,000	5.000%	3.450%	109.247 C
	03/01/2034	230,000	5.000%	3.500%	108.933 C
	03/01/2035	240,000	5.000%	3.550%	108.620 C
	03/01/2036	250,000	5.000%	3.600%	108.308 C
	03/01/2037	265,000	5.000%	3.650%	107.998 C
	03/01/2038	275,000	5.000%	3.700%	107.688 C
	03/01/2039	290,000	5.000%	3.750%	107.379 C
	03/01/2040	305,000	5.000%	3.800%	107.072 C
		4,625,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	4,625,000.00	
Premium	401,261.55	
Production	5,026,261.55	108.675925%
Underwriter's Discount	-14,075.00	-0.304324%
Purchase Price	5,012,186.55	108.371601%
Accrued Interest		
Net Proceeds	5,012,186.55	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Juneau Refunding of 2005 School Bonds

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	625,000	2.000%	0.300%	101.258
	03/01/2017	615,000	2.000%	0.600%	102.421
	03/01/2018	635,000	3.000%	0.950%	105.534
	03/01/2019	650,000	3.000%	1.350%	105.999
	03/01/2020	675,000	4.000%	1.600%	110.915
	03/01/2021		4.000%	1.750%	112.237
	03/01/2022		4.000%	1.950%	112.889
	03/01/2023		4.000%	2.000%	114.275
	03/01/2024		5.000%	2.200%	122.153
	03/01/2025		5.000%	2.300%	123.440
	03/01/2026		5.000%	2.400%	122.462 C
	03/01/2027		5.000%	2.500%	121.493 C
	03/01/2028		5.000%	2.650%	120.056 C
	03/01/2029		5.000%	2.750%	119.109 C
	03/01/2030		5.000%	2.800%	118.639 C
	03/01/2031		5.000%	2.850%	118.171 C
	03/01/2032		5.000%	2.900%	117.706 C
	03/01/2033		5.000%	2.950%	117.242 C
	03/01/2034		5.000%	3.000%	116.781 C
	03/01/2035		5.000%	3.050%	116.322 C
	03/01/2036		5.000%	3.100%	115.865 C
	03/01/2037		5.000%	3.150%	115.411 C
	03/01/2038		5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		3,200,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	3,200,000.00	
Premium	170,562.30	
Production	3,370,562.30	105.330072%
Underwriter's Discount	-7,571.74	-0.236617%
Purchase Price	3,362,990.56	105.093455%
Accrued Interest		
Net Proceeds	3,362,990.56	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	60,000	2.000%	0.300%	101.258
	03/01/2017		2.000%	0.600%	102.421
	03/01/2018		3.000%	0.950%	105.534
	03/01/2019	335,000	3.000%	1.350%	105.999
	03/01/2020	340,000	4.000%	1.600%	110.915
	03/01/2021	355,000	4.000%	1.750%	112.237
	03/01/2022	370,000	4.000%	1.950%	112.889
	03/01/2023	385,000	4.000%	2.000%	114.275
	03/01/2024	400,000	5.000%	2.200%	122.153
	03/01/2025	420,000	5.000%	2.300%	123.440
	03/01/2026	440,000	5.000%	2.400%	122.462 C
	03/01/2027	460,000	5.000%	2.500%	121.493 C
	03/01/2028	485,000	5.000%	2.650%	120.056 C
	03/01/2029	505,000	5.000%	2.750%	119.109 C
	03/01/2030	530,000	5.000%	2.800%	118.639 C
	03/01/2031	555,000	5.000%	2.850%	118.171 C
	03/01/2032	580,000	5.000%	2.900%	117.706 C
	03/01/2033	610,000	5.000%	2.950%	117.242 C
	03/01/2034		5.000%	3.000%	116.781 C
	03/01/2035		5.000%	3.050%	116.322 C
	03/01/2036		5.000%	3.100%	115.865 C
	03/01/2037		5.000%	3.150%	115.411 C
	03/01/2038		5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		6,830,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	6,830,000.00	
Premium	1,190,091.25	
Production	8,020,091.25	117.424469%
Underwriter's Discount	-20,266.68	-0.296730%
Purchase Price	7,999,824.57	117.127739%
Accrued Interest		
Net Proceeds	7,999,824.57	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Kenai Peninsula Borough 2007 Refunding

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	100,000	2.000%	0.300%	101.258
	03/01/2017	5,000	2.000%	0.600%	102.421
	03/01/2018	5,000	3.000%	0.950%	105.534
	03/01/2019	700,000	3.000%	1.350%	105.999
	03/01/2020	720,000	4.000%	1.600%	110.915
	03/01/2021	745,000	4.000%	1.750%	112.237
	03/01/2022	775,000	4.000%	1.950%	112.889
	03/01/2023	805,000	4.000%	2.000%	114.275
	03/01/2024	835,000	5.000%	2.200%	122.153
	03/01/2025	880,000	5.000%	2.300%	123.440
	03/01/2026	915,000	5.000%	2.400%	122.462 C
	03/01/2027	965,000	5.000%	2.500%	121.493 C
	03/01/2028	1,015,000	5.000%	2.650%	120.056 C
	03/01/2029		5.000%	2.750%	119.109 C
	03/01/2030		5.000%	2.800%	118.639 C
	03/01/2031		5.000%	2.850%	118.171 C
	03/01/2032		5.000%	2.900%	117.706 C
	03/01/2033		5.000%	2.950%	117.242 C
	03/01/2034		5.000%	3.000%	116.781 C
	03/01/2035		5.000%	3.050%	116.322 C
	03/01/2036		5.000%	3.100%	115.865 C
	03/01/2037		5.000%	3.150%	115.411 C
	03/01/2038		5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		8,465,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	8,465,000.00	
Premium	1,435,958.60	
Production	9,900,958.60	116.963480%
Underwriter's Discount	-23,998.58	-0.283504%
Purchase Price	9,876,960.02	116.679977%
Accrued Interest		
Net Proceeds	9,876,960.02	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	190,000	2.000%	0.300%	101.258
	03/01/2017		2.000%	0.600%	102.421
	03/01/2018		3.000%	0.950%	105.534
	03/01/2019	945,000	3.000%	1.350%	105.999
	03/01/2020	975,000	4.000%	1.600%	110.915
	03/01/2021	1,010,000	4.000%	1.750%	112.237
	03/01/2022	1,050,000	4.000%	1.950%	112.889
	03/01/2023	1,095,000	4.000%	2.000%	114.275
	03/01/2024	1,135,000	5.000%	2.200%	122.153
	03/01/2025	1,195,000	5.000%	2.300%	123.440
	03/01/2026	1,255,000	5.000%	2.400%	122.462 C
	03/01/2027	1,315,000	5.000%	2.500%	121.493 C
	03/01/2028	1,380,000	5.000%	2.650%	120.056 C
	03/01/2029	1,455,000	5.000%	2.750%	119.109 C
	03/01/2030	1,525,000	5.000%	2.800%	118.639 C
	03/01/2031	1,605,000	5.000%	2.850%	118.171 C
	03/01/2032	1,680,000	5.000%	2.900%	117.706 C
	03/01/2033	1,765,000	5.000%	2.950%	117.242 C
	03/01/2034		5.000%	3.000%	116.781 C
	03/01/2035		5.000%	3.050%	116.322 C
	03/01/2036		5.000%	3.100%	115.865 C
	03/01/2037		5.000%	3.150%	115.411 C
	03/01/2038		5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		19,575,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	19,575,000.00	
Premium	3,409,297.20	
Production	22,984,297.20	117.416589%
Underwriter's Discount	-58,086.82	-0.296740%
Purchase Price	22,926,210.38	117.119849%
Accrued Interest		
Net Proceeds	22,926,210.38	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	50,000	2.000%	0.300%	101.258
	03/01/2017		2.000%	0.600%	102.421
	03/01/2018		3.000%	0.950%	105.534
	03/01/2019	150,000	3.000%	1.350%	105.999
	03/01/2020	150,000	4.000%	1.600%	110.915
	03/01/2021	155,000	4.000%	1.750%	112.237
	03/01/2022	165,000	4.000%	1.950%	112.889
	03/01/2023	175,000	4.000%	2.000%	114.275
	03/01/2024	175,000	5.000%	2.200%	122.153
	03/01/2025	185,000	5.000%	2.300%	123.440
	03/01/2026	195,000	5.000%	2.400%	122.462 C
	03/01/2027	205,000	5.000%	2.500%	121.493 C
	03/01/2028	215,000	5.000%	2.650%	120.056 C
	03/01/2029	225,000	5.000%	2.750%	119.109 C
	03/01/2030	240,000	5.000%	2.800%	118.639 C
	03/01/2031	250,000	5.000%	2.850%	118.171 C
	03/01/2032	260,000	5.000%	2.900%	117.706 C
	03/01/2033	275,000	5.000%	2.950%	117.242 C
	03/01/2034	290,000	5.000%	3.000%	116.781 C
	03/01/2035	300,000	5.000%	3.050%	116.322 C
	03/01/2036	315,000	5.000%	3.100%	115.865 C
	03/01/2037	335,000	5.000%	3.150%	115.411 C
	03/01/2038	350,000	5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		4,660,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	4,660,000.00	
Premium	782,522.10	
Production	5,442,522.10	116.792320%
Underwriter's Discount	-14,408.51	-0.309195%
Purchase Price	5,428,113.59	116.483124%
Accrued Interest		
Net Proceeds	5,428,113.59	

BOND PRICING

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Bond Component	Maturity Date	Amount	Rate	Yield	Price
Tax-Exempt Serial Bond Maturities:					
	03/01/2016	30,000	2.000%	0.300%	101.258
	03/01/2017		2.000%	0.600%	102.421
	03/01/2018		3.000%	0.950%	105.534
	03/01/2019	240,000	3.000%	1.350%	105.999
	03/01/2020	250,000	4.000%	1.600%	110.915
	03/01/2021	260,000	4.000%	1.750%	112.237
	03/01/2022	270,000	4.000%	1.950%	112.889
	03/01/2023	280,000	4.000%	2.000%	114.275
	03/01/2024	290,000	5.000%	2.200%	122.153
	03/01/2025	305,000	5.000%	2.300%	123.440
	03/01/2026	320,000	5.000%	2.400%	122.462 C
	03/01/2027	335,000	5.000%	2.500%	121.493 C
	03/01/2028	355,000	5.000%	2.650%	120.056 C
	03/01/2029		5.000%	2.750%	119.109 C
	03/01/2030		5.000%	2.800%	118.639 C
	03/01/2031		5.000%	2.850%	118.171 C
	03/01/2032		5.000%	2.900%	117.706 C
	03/01/2033		5.000%	2.950%	117.242 C
	03/01/2034		5.000%	3.000%	116.781 C
	03/01/2035		5.000%	3.050%	116.322 C
	03/01/2036		5.000%	3.100%	115.865 C
	03/01/2037		5.000%	3.150%	115.411 C
	03/01/2038		5.000%	3.200%	114.958 C
	03/01/2039		5.000%	3.250%	114.507 C
	03/01/2040		5.000%	3.300%	114.059 C
	03/01/2041		5.000%	3.350%	113.613 C
	03/01/2042		5.000%	3.400%	113.168 C
	03/01/2043		5.000%	3.450%	112.726 C
	03/01/2044		5.000%	3.500%	112.286 C
	03/01/2045		5.000%	3.550%	111.848 C
		2,935,000			

Dated Date	06/04/2015	
Delivery Date	06/04/2015	
First Coupon	09/01/2015	
Par Amount	2,935,000.00	
Premium	499,463.45	
Production	3,434,463.45	117.017494%
Underwriter's Discount	-8,328.84	-0.283776%
Purchase Price	3,426,134.61	116.733718%
Accrued Interest		
Net Proceeds	3,426,134.61	

BOND MATURITY TABLE

Alaska Municipal Bond Bank Series 2015 Two
 Alaska Municipal Bond Bank Series 2015 Two

Maturity Date	Cordova Civic Center Project	Skagway Public Safety Building	Juneau 2015 AMT Dock Loan	Skagway 2015 Port Project	Juneau Refunding of 2005 School Bonds	Juneau 2007 Harbor Bond Refunding	Kenai Peninsula Borough 2007 Refunding	Seward 2008I Refunding	Seward 2008II Refunding	Skagway 2008II Refunding	Total
03/01/2016	115,000	305,000	790,000	165,000	625,000	60,000	100,000	190,000	50,000	30,000	2,430,000
03/01/2017	90,000	180,000	535,000	110,000	615,000		5,000				1,535,000
03/01/2018	90,000	185,000	540,000	115,000	635,000		5,000				1,570,000
03/01/2019	95,000	190,000	560,000	115,000	650,000	335,000	700,000	945,000	150,000	240,000	3,980,000
03/01/2020	95,000	195,000	575,000	120,000	675,000	340,000	720,000	975,000	150,000	250,000	4,095,000
03/01/2021	100,000	205,000	600,000	125,000		355,000	745,000	1,010,000	155,000	260,000	3,555,000
03/01/2022	105,000	210,000	625,000	130,000		370,000	775,000	1,050,000	165,000	270,000	3,700,000
03/01/2023	110,000	220,000	650,000	135,000		385,000	805,000	1,095,000	175,000	280,000	3,855,000
03/01/2024	115,000	230,000	675,000	140,000		400,000	835,000	1,135,000	175,000	290,000	3,995,000
03/01/2025	120,000	240,000	705,000	145,000		420,000	880,000	1,195,000	185,000	305,000	4,195,000
03/01/2026	125,000	255,000	745,000	155,000		440,000	915,000	1,255,000	195,000	320,000	4,405,000
03/01/2027	130,000	265,000	780,000	160,000		460,000	965,000	1,315,000	205,000	335,000	4,615,000
03/01/2028	140,000	280,000	820,000	170,000		485,000	1,015,000	1,380,000	215,000	355,000	4,860,000
03/01/2029	145,000	295,000	860,000	180,000		505,000		1,455,000	225,000		3,665,000
03/01/2030	155,000	305,000	900,000	190,000		530,000		1,525,000	240,000		3,845,000
03/01/2031	160,000	320,000	950,000	195,000		555,000		1,605,000	250,000		4,035,000
03/01/2032	170,000	340,000	995,000	205,000		580,000		1,680,000	260,000		4,230,000
03/01/2033	175,000	355,000	1,050,000	215,000		610,000		1,765,000	275,000		4,445,000
03/01/2034	185,000	375,000	1,100,000	230,000					290,000		2,180,000
03/01/2035	195,000	390,000	1,150,000	240,000					300,000		2,275,000
03/01/2036		410,000	1,210,000	250,000					315,000		2,185,000
03/01/2037		430,000	1,270,000	265,000					335,000		2,300,000
03/01/2038		455,000	1,335,000	275,000					350,000		2,415,000
03/01/2039		475,000	1,400,000	290,000							2,165,000
03/01/2040		500,000	1,875,000	305,000							2,680,000
03/01/2041		525,000									525,000
03/01/2042		550,000									550,000
03/01/2043		580,000									580,000
03/01/2044		610,000									610,000
03/01/2045		640,000									640,000
	2,615,000	10,515,000	22,695,000	4,625,000	3,200,000	6,830,000	8,465,000	19,575,000	4,660,000	2,935,000	86,115,000

SUMMARY OF REFUNDING RESULTS

Alaska Municipal Bond Bank Series 2015 Two
Alaska Municipal Bond Bank Series 2015 Two

	Juneau Refunding of 2005 School Bonds	Juneau 2007 Harbor Bond Refunding	Kenai Peninsula Borough 2007 Refunding	Seward 2008I Refunding	Seward 2008II Refunding	Skagway 2008II Refunding	Total
Dated Date	06/04/2015	06/04/2015	06/04/2015	06/04/2015	06/04/2015	06/04/2015	06/04/2015
Delivery Date	06/04/2015	06/04/2015	06/04/2015	06/04/2015	06/04/2015	06/04/2015	06/04/2015
Arbitrage Yield	2.720359%	2.720359%	2.720359%	2.720359%	2.720359%	2.720359%	2.720359%
Escrow Yield		0.629328%	0.629651%	0.833565%	0.890983%	0.892197%	0.781006%
Value of Negative Arbitrage		376,873.87	425,142.95	1,116,173.49	271,127.18	170,511.82	2,359,829.31
Bond Par Amount	3,200,000.00	6,830,000.00	8,465,000.00	19,575,000.00	4,660,000.00	2,935,000.00	45,665,000.00
True Interest Cost	1.304540%	3.017542%	2.429451%	3.021714%	3.420056%	2.431346%	2.915966%
Net Interest Cost	1.357370%	3.356557%	2.690897%	3.361100%	3.795481%	2.693086%	3.249131%
Average Coupon	3.187011%	4.849812%	4.656643%	4.851169%	4.922223%	4.658663%	4.790663%
Average Life	2.784	11.470	8.485	11.489	14.629	8.513	10.449
Par amount of refunded bonds	3,325,000.00	7,865,000.00	8,890,000.00	20,530,000.00	4,840,000.00	3,060,000.00	48,510,000.00
Average coupon of refunded bonds	3.939289%	5.000000%	4.822247%	4.928700%	5.145199%	4.834653%	4.933676%
Average life of refunded bonds	2.821	11.146	8.134	11.690	15.095	8.871	10.504
PV of prior debt	3,466,235.26	9,647,448.58	10,342,069.38	25,109,526.51	6,246,633.12	3,561,148.71	58,373,061.56
Net PV Savings	222,072.59	676,982.00	670,841.54	1,434,007.61	370,316.79	208,589.95	3,582,810.48
Percentage savings of refunded bonds	6.678875%	8.607527%	7.546024%	6.984937%	7.651173%	6.816665%	7.385715%
Percentage savings of refunding bonds	6.939768%	9.911889%	7.924885%	7.325709%	7.946712%	7.106983%	7.845857%

SUMMARY OF BONDS REFUNDED

Alaska Municipal Bond Bank Series 2015 Two
Alaska Municipal Bond Bank Series 2015 Two

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Juneau 2005 School Bonds, CBJ05SCH:					
CBJ05BND	03/01/2016	3.600%	615,000.00	06/04/2015	100.000
	03/01/2017	3.650%	635,000.00	06/04/2015	100.000
	03/01/2018	4.000%	665,000.00	06/04/2015	100.000
	03/01/2019	4.000%	690,000.00	06/04/2015	100.000
	03/01/2020	4.000%	<u>720,000.00</u>	06/04/2015	100.000
			3,325,000.00		
Juneau 2007 Port Bonds, CBJ07PRT:					
CBJ07T22	09/01/2022	5.000%	2,010,000.00	09/01/2017	100.000
CBJ07T27	09/01/2027	5.000%	2,575,000.00	09/01/2017	100.000
CBJ07T32	09/01/2032	5.000%	<u>3,280,000.00</u>	09/01/2017	100.000
			7,865,000.00		
Kenai Peninsula Borough 2007 Loan, KPB_2007:					
KPM07SRL	09/01/2018	5.000%	710,000.00	09/01/2017	100.000
	09/01/2019	5.000%	745,000.00	09/01/2017	100.000
KPM07T22	09/01/2022	5.000%	2,460,000.00	09/01/2017	100.000
KPM07T24	09/01/2024	4.750%	1,855,000.00	09/01/2017	100.000
KPM07T27	09/01/2027	4.750%	<u>3,120,000.00</u>	09/01/2017	100.000
			8,890,000.00		
Skagway 2008II Loan, SKG_08II:					
SK08IISR	06/01/2019	4.400%	245,000.00	06/01/2018	100.000
	06/01/2020	4.500%	260,000.00	06/01/2018	100.000
	06/01/2021	4.600%	270,000.00	06/01/2018	100.000
	06/01/2022	4.700%	285,000.00	06/01/2018	100.000
	06/01/2023	4.750%	295,000.00	06/01/2018	100.000
	06/01/2024	4.800%	310,000.00	06/01/2018	100.000
	06/01/2025	4.850%	325,000.00	06/01/2018	100.000
	06/01/2026	4.900%	340,000.00	06/01/2018	100.000
SK8IIT28	06/01/2028	5.000%	<u>730,000.00</u>	06/01/2018	100.000
			3,060,000.00		
Seward 2008II Loan, SWD_08II:					
SD08IISR	06/01/2019	4.400%	150,000.00	06/01/2018	100.000
	06/01/2020	4.500%	155,000.00	06/01/2018	100.000
	06/01/2021	4.600%	160,000.00	06/01/2018	100.000
	06/01/2022	4.700%	170,000.00	06/01/2018	100.000
	06/01/2023	4.750%	180,000.00	06/01/2018	100.000
	06/01/2024	4.800%	185,000.00	06/01/2018	100.000
	06/01/2025	4.850%	195,000.00	06/01/2018	100.000
	06/01/2026	4.900%	205,000.00	06/01/2018	100.000
SD8IIT28	06/01/2028	5.000%	440,000.00	06/01/2018	100.000
SD8IIT30	06/01/2030	5.125%	485,000.00	06/01/2018	100.000
SD8IIT38	06/01/2038	5.250%	<u>2,515,000.00</u>	06/01/2018	100.000
			4,840,000.00		
Seward 2008 One Loan, SWRD_08I:					
SWRD08SR	04/01/2019	4.000%	985,000.00	04/01/2018	100.000
	04/01/2020	4.250%	1,025,000.00	04/01/2018	100.000
	04/01/2021	4.250%	1,065,000.00	04/01/2018	100.000
	04/01/2022	4.375%	1,110,000.00	04/01/2018	100.000
	04/01/2023	4.500%	1,160,000.00	04/01/2018	100.000
	04/01/2024	4.700%	1,210,000.00	04/01/2018	100.000
	04/01/2025	4.800%	1,270,000.00	04/01/2018	100.000
	04/01/2026	4.900%	1,330,000.00	04/01/2018	100.000

SUMMARY OF BONDS REFUNDED

Alaska Municipal Bond Bank Series 2015 Two
Alaska Municipal Bond Bank Series 2015 Two

Bond	Maturity Date	Interest Rate	Par Amount	Call Date	Call Price
Seward 2008 One Loan, SWRD .08I:					
SWRD08SR	04/01/2027	5.000%	1,395,000.00	04/01/2018	100.000
	04/01/2028	5.000%	1,465,000.00	04/01/2018	100.000
	04/01/2029	5.000%	1,540,000.00	04/01/2018	100.000
SD08IT33	04/01/2033	5.100%	6,975,000.00	04/01/2018	100.000
			20,530,000.00		
			48,510,000.00		

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Juneau Refunding of 2005 School Bonds

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
09/01/2015	64,158.75	21,834.58	42,324.17		42,048.70
03/01/2016	679,158.75	670,175.00	8,983.75		8,805.51
06/30/2016				51,307.92	
09/01/2016	53,088.75	38,925.00	14,163.75		13,696.44
03/01/2017	688,088.75	653,925.00	34,163.75		32,593.24
06/30/2017				48,327.50	
09/01/2017	41,500.00	32,775.00	8,725.00		8,212.21
03/01/2018	706,500.00	667,775.00	38,725.00		35,959.92
06/30/2018				47,450.00	
09/01/2018	28,200.00	23,250.00	4,950.00		4,534.87
03/01/2019	718,200.00	673,250.00	44,950.00		40,627.70
06/30/2019				49,900.00	
09/01/2019	14,400.00	13,500.00	900.00		802.54
03/01/2020	734,400.00	688,500.00	45,900.00		40,380.38
06/30/2020				46,800.00	
	3,727,695.00	3,483,909.58	243,785.42	243,785.42	227,661.50

Savings Summary

PV of savings from cash flow	227,661.50
Less: Prior funds on hand	-6,239.10
Plus: Refunding funds on hand	650.19
Net PV Savings	222,072.59

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
09/01/2015	196,625.00	76,970.83	119,654.17		118,875.39
03/01/2016	196,625.00	219,250.00	-22,625.00		-22,176.11
06/30/2016				97,029.17	
09/01/2016	196,625.00	158,650.00	37,975.00		36,722.07
03/01/2017	196,625.00	158,650.00	37,975.00		36,229.29
06/30/2017				75,950.00	
09/01/2017	196,625.00	158,650.00	37,975.00		35,743.12
03/01/2018	196,625.00	158,650.00	37,975.00		35,263.47
06/30/2018				75,950.00	
09/01/2018	561,625.00	158,650.00	402,975.00		369,179.84
03/01/2019	187,500.00	493,650.00	-306,150.00		-276,711.22
06/30/2019				96,825.00	
09/01/2019	567,500.00	153,625.00	413,875.00		369,057.74
03/01/2020	178,000.00	493,625.00	-315,625.00		-277,670.12
06/30/2020				98,250.00	
09/01/2020	578,000.00	146,825.00	431,175.00		374,234.62
03/01/2021	168,000.00	501,825.00	-333,825.00		-285,852.42
06/30/2021				97,350.00	
09/01/2021	588,000.00	139,725.00	448,275.00		378,704.24
03/01/2022	157,500.00	509,725.00	-352,225.00		-293,567.82
06/30/2022				96,050.00	
09/01/2022	602,500.00	132,325.00	470,175.00		386,616.54
03/01/2023	146,375.00	517,325.00	-370,950.00		-300,932.37
06/30/2023				99,225.00	
09/01/2023	611,375.00	124,625.00	486,750.00		389,575.93
03/01/2024	134,750.00	524,625.00	-389,875.00		-307,853.55
06/30/2024				96,875.00	
09/01/2024	624,750.00	114,625.00	510,125.00		397,400.14
03/01/2025	122,500.00	534,625.00	-412,125.00		-316,747.36
06/30/2025				98,000.00	
09/01/2025	637,500.00	104,125.00	533,375.00		404,435.55
03/01/2026	109,625.00	544,125.00	-434,500.00		-325,041.70
06/30/2026				98,875.00	
09/01/2026	649,625.00	93,125.00	556,500.00		410,721.18
03/01/2027	96,125.00	553,125.00	-457,000.00		-332,759.72
06/30/2027				99,500.00	
09/01/2027	661,125.00	81,625.00	579,500.00		416,294.45
03/01/2028	82,000.00	566,625.00	-484,625.00		-343,467.48
06/30/2028				94,875.00	
09/01/2028	677,000.00	69,500.00	607,500.00		424,774.78
03/01/2029	67,125.00	574,500.00	-507,375.00		-350,004.91
06/30/2029				100,125.00	
09/01/2029	692,125.00	56,875.00	635,250.00		432,336.97
03/01/2030	51,500.00	586,875.00	-535,375.00		-359,474.77
06/30/2030				99,875.00	
09/01/2030	706,500.00	43,625.00	662,875.00		439,111.28
03/01/2031	35,125.00	598,625.00	-563,500.00		-368,272.68
06/30/2031				99,375.00	
09/01/2031	720,125.00	29,750.00	690,375.00		445,136.56
03/01/2032	18,000.00	609,750.00	-591,750.00		-376,425.56
06/30/2032				98,625.00	
09/01/2032	738,000.00	15,250.00	722,750.00		453,588.01
03/01/2033		625,250.00	-625,250.00		-387,132.64
06/30/2033				97,500.00	
	12,349,625.00	10,629,370.83	1,720,254.17	1,720,254.17	1,429,910.72

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Savings Summary

PV of savings from cash flow	1,429,910.72
Less: Prior funds on hand	-753,159.38
Plus: Refunding funds on hand	230.66
	<hr/>
Net PV Savings	676,982.00

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Kenai Peninsula Borough 2007 Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
09/01/2015	216,031.25	90,757.92	125,273.33		124,457.97
03/01/2016	216,031.25	287,775.00	-71,743.75		-70,320.31
06/30/2016				53,529.58	
09/01/2016	216,031.25	186,775.00	29,256.25		28,290.98
03/01/2017	216,031.25	191,775.00	24,256.25		23,141.19
06/30/2017				53,512.50	
09/01/2017	216,031.25	186,725.00	29,306.25		27,583.85
03/01/2018	216,031.25	191,725.00	24,306.25		22,570.71
06/30/2018				53,612.50	
09/01/2018	926,031.25	186,650.00	739,381.25		677,373.66
03/01/2019	198,281.25	886,650.00	-688,368.75		-622,176.56
06/30/2019				51,012.50	
09/01/2019	943,281.25	176,150.00	767,131.25		684,060.96
03/01/2020	179,656.25	896,150.00	-716,493.75		-630,333.17
06/30/2020				50,637.50	
09/01/2020	959,656.25	161,750.00	797,906.25		692,535.84
03/01/2021	160,156.25	906,750.00	-746,593.75		-639,303.92
06/30/2021				51,312.50	
09/01/2021	980,156.25	146,850.00	833,306.25		703,979.94
03/01/2022	139,656.25	921,850.00	-782,193.75		-651,932.47
06/30/2022				51,112.50	
09/01/2022	999,656.25	131,350.00	868,306.25		713,992.79
03/01/2023	118,156.25	936,350.00	-818,193.75		-663,757.87
06/30/2023				50,112.50	
09/01/2023	1,023,156.25	115,250.00	907,906.25		726,653.15
03/01/2024	96,662.50	950,250.00	-853,587.50		-674,010.76
06/30/2024				54,318.75	
09/01/2024	1,046,662.50	94,375.00	952,287.50		741,855.80
03/01/2025	74,100.00	974,375.00	-900,275.00		-691,925.33
06/30/2025				52,012.50	
09/01/2025	1,064,100.00	72,375.00	991,725.00		751,982.84
03/01/2026	50,587.50	987,375.00	-936,787.50		-700,794.02
06/30/2026				54,937.50	
09/01/2026	1,090,587.50	49,500.00	1,041,087.50		768,367.80
03/01/2027	25,887.50	1,014,500.00	-988,612.50		-719,847.75
06/30/2027				52,475.00	
09/01/2027	1,115,887.50	25,375.00	1,090,512.50		783,389.65
03/01/2028		1,040,375.00	-1,040,375.00		-737,343.27
06/30/2028				50,137.50	
	12,488,506.25	11,809,782.92	678,723.33	678,723.33	668,491.70

Savings Summary

PV of savings from cash flow	668,491.70
Plus: Refunding funds on hand	2,349.84
Net PV Savings	670,841.54

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
09/01/2015		220,605.42	-220,605.42		-219,169.58
10/01/2015	493,856.25		493,856.25		489,538.40
03/01/2016		646,425.00	-646,425.00		-633,599.57
04/01/2016	493,856.25		493,856.25		482,969.15
06/30/2016				120,682.08	
09/01/2016		454,525.00	-454,525.00		-439,528.60
10/01/2016	493,856.25		493,856.25		476,488.06
03/01/2017		454,525.00	-454,525.00		-433,630.44
04/01/2017	493,856.25		493,856.25		470,093.93
06/30/2017				78,662.50	
09/01/2017		454,525.00	-454,525.00		-427,811.44
10/01/2017	493,856.25		493,856.25		463,785.62
03/01/2018		454,525.00	-454,525.00		-422,070.52
04/01/2018	493,856.25		493,856.25		457,561.95
06/30/2018				78,662.50	
09/01/2018		454,525.00	-454,525.00		-416,406.64
10/01/2018	493,856.25		493,856.25		451,421.80
03/01/2019		1,399,525.00	-1,399,525.00		-1,264,949.43
04/01/2019	1,478,856.25		1,478,856.25		1,333,646.00
06/30/2019				118,662.50	
09/01/2019		440,350.00	-440,350.00		-392,665.85
10/01/2019	474,156.25		474,156.25		421,860.36
03/01/2020		1,415,350.00	-1,415,350.00		-1,245,149.81
04/01/2020	1,499,156.25		1,499,156.25		1,315,911.74
06/30/2020				117,612.50	
09/01/2020		420,850.00	-420,850.00		-365,273.12
10/01/2020	452,375.00		452,375.00		391,751.88
03/01/2021		1,430,850.00	-1,430,850.00		-1,225,228.59
04/01/2021	1,517,375.00		1,517,375.00		1,296,397.08
06/30/2021				118,050.00	
09/01/2021		400,650.00	-400,650.00		-338,470.47
10/01/2021	429,743.75		429,743.75		362,232.42
03/01/2022		1,450,650.00	-1,450,650.00		-1,209,068.52
04/01/2022	1,539,743.75		1,539,743.75		1,280,438.80
06/30/2022				118,187.50	
09/01/2022		379,650.00	-379,650.00		-312,179.44
10/01/2022	405,462.50		405,462.50		332,654.73
03/01/2023		1,474,650.00	-1,474,650.00		-1,196,306.56
04/01/2023	1,565,462.50		1,565,462.50		1,267,121.62
06/30/2023				116,625.00	
09/01/2023		357,750.00	-357,750.00		-286,329.30
10/01/2023	379,362.50		379,362.50		302,944.21
03/01/2024		1,492,750.00	-1,492,750.00		-1,178,707.00
04/01/2024	1,589,362.50		1,589,362.50		1,252,171.61
06/30/2024				118,225.00	
09/01/2024		329,375.00	-329,375.00		-256,591.37
10/01/2024	350,927.50		350,927.50		272,766.43
03/01/2025		1,524,375.00	-1,524,375.00		-1,171,590.55
04/01/2025	1,620,927.50		1,620,927.50		1,242,996.01
06/30/2025				118,105.00	
09/01/2025		299,500.00	-299,500.00		-227,098.10
10/01/2025	320,447.50		320,447.50		242,435.19
03/01/2026		1,554,500.00	-1,554,500.00		-1,162,893.72
04/01/2026	1,650,447.50		1,650,447.50		1,231,893.37
06/30/2026				116,895.00	
09/01/2026		268,125.00	-268,125.00		-197,887.90
10/01/2026	287,862.50		287,862.50		211,977.19
03/01/2027		1,583,125.00	-1,583,125.00		-1,152,735.75
04/01/2027	1,682,862.50		1,682,862.50		1,222,602.54
06/30/2027				119,475.00	
09/01/2027		235,250.00	-235,250.00		-168,996.15
10/01/2027	252,987.50		252,987.50		181,329.45

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
03/01/2028		1,615,250.00	-1,615,250.00		-1,144,773.48
04/01/2028	1,717,987.50		1,717,987.50		1,214,847.92
06/30/2028				120,475.00	
09/01/2028		200,750.00	-200,750.00		-140,367.96
10/01/2028	216,362.50		216,362.50		150,944.24
03/01/2029		1,655,750.00	-1,655,750.00		-1,142,193.89
04/01/2029	1,756,362.50		1,756,362.50		1,208,874.81
06/30/2029				116,225.00	
09/01/2029		164,375.00	-164,375.00		-111,869.95
10/01/2029	177,862.50		177,862.50		120,776.99
03/01/2030		1,689,375.00	-1,689,375.00		-1,134,322.08
04/01/2030	1,792,862.50		1,792,862.50		1,201,100.68
06/30/2030				116,975.00	
09/01/2030		126,250.00	-126,250.00		-83,632.36
10/01/2030	136,680.00		136,680.00		90,337.91
03/01/2031		1,731,250.00	-1,731,250.00		-1,131,450.00
04/01/2031	1,836,680.00		1,836,680.00		1,197,653.48
06/30/2031				115,860.00	
09/01/2031		86,125.00	-86,125.00		-55,531.25
10/01/2031	93,330.00		93,330.00		60,041.51
03/01/2032		1,766,125.00	-1,766,125.00		-1,123,472.06
04/01/2032	1,878,330.00		1,878,330.00		1,192,160.80
06/30/2032				119,410.00	
09/01/2032		44,125.00	-44,125.00		-27,692.25
10/01/2032	47,812.50		47,812.50		29,938.98
03/01/2033		1,809,125.00	-1,809,125.00		-1,120,146.09
04/01/2033	1,922,812.50		1,922,812.50		1,187,859.66
06/30/2033				117,375.00	
	32,531,595.00	30,485,430.42	2,046,164.58	2,046,164.58	1,549,736.71

Savings Summary

PV of savings from cash flow	1,549,736.71
Less: Prior funds on hand	-1,973,360.00
Plus: Refunding funds on hand	1,857,630.90
Net PV Savings	1,434,007.61

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
09/01/2015		53,662.08	-53,662.08		-53,312.81
12/01/2015	122,375.63		122,375.63		120,760.63
03/01/2016		161,025.00	-161,025.00		-157,830.18
06/01/2016	122,375.63		122,375.63		119,140.11
06/30/2016				30,064.18	
09/01/2016		110,525.00	-110,525.00		-106,878.39
12/01/2016	122,375.63		122,375.63		117,541.33
03/01/2017		110,525.00	-110,525.00		-105,444.16
06/01/2017	122,375.63		122,375.63		115,964.01
06/30/2017				23,701.26	
09/01/2017		110,525.00	-110,525.00		-104,029.17
12/01/2017	122,375.63		122,375.63		114,407.86
03/01/2018		110,525.00	-110,525.00		-102,633.18
06/01/2018	122,375.63		122,375.63		112,872.59
06/30/2018				23,701.26	
09/01/2018		110,525.00	-110,525.00		-101,255.91
12/01/2018	122,375.63		122,375.63		111,357.92
03/01/2019		260,525.00	-260,525.00		-235,473.43
06/01/2019	272,375.63		272,375.63		244,527.14
06/30/2019				23,701.26	
09/01/2019		108,275.00	-108,275.00		-96,550.23
12/01/2019	119,075.63		119,075.63		105,466.45
03/01/2020		258,275.00	-258,275.00		-227,216.64
06/01/2020	274,075.63		274,075.63		239,493.92
06/30/2020				26,601.26	
09/01/2020		105,275.00	-105,275.00		-91,372.53
12/01/2020	115,588.13		115,588.13		99,648.31
03/01/2021		260,275.00	-260,275.00		-222,871.98
06/01/2021	275,588.13		275,588.13		234,395.81
06/30/2021				25,626.26	
09/01/2021		102,175.00	-102,175.00		-86,317.79
12/01/2021	111,908.13		111,908.13		93,903.89
03/01/2022		267,175.00	-267,175.00		-222,681.48
06/01/2022	281,908.13		281,908.13		233,379.22
06/30/2022				24,466.26	
09/01/2022		98,875.00	-98,875.00		-81,303.15
12/01/2022	107,913.13		107,913.13		88,137.66
03/01/2023		273,875.00	-273,875.00		-222,180.49
06/01/2023	287,913.13		287,913.13		231,996.44
06/30/2023				23,076.26	
09/01/2023		95,375.00	-95,375.00		-76,334.47
12/01/2023	103,638.13		103,638.13		82,389.53
03/01/2024		270,375.00	-270,375.00		-213,493.82
06/01/2024	288,638.13		288,638.13		226,380.39
06/30/2024				26,526.26	
09/01/2024		91,000.00	-91,000.00		-70,891.28
12/01/2024	99,198.13		99,198.13		76,757.57
03/01/2025		276,000.00	-276,000.00		-212,125.62
06/01/2025	294,198.13		294,198.13		224,589.92
06/30/2025				26,396.26	
09/01/2025		86,375.00	-86,375.00		-65,494.48
12/01/2025	94,469.38		94,469.38		71,149.86
03/01/2026		281,375.00	-281,375.00		-210,491.62
06/01/2026	299,469.38		299,469.38		222,519.48
06/30/2026				26,188.76	
09/01/2026		81,500.00	-81,500.00		-60,150.54
12/01/2026	89,446.88		89,446.88		65,571.25
03/01/2027		286,500.00	-286,500.00		-208,611.95
06/01/2027	304,446.88		304,446.88		220,187.37
06/30/2027				25,893.76	
09/01/2027		76,375.00	-76,375.00		-54,865.38
12/01/2027	84,071.88		84,071.88		59,987.98

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
03/01/2028		291,375.00	-291,375.00		-206,505.73
06/01/2028	309,071.88		309,071.88		217,573.31
06/30/2028				25,393.76	
09/01/2028		71,000.00	-71,000.00		-49,644.46
12/01/2028	78,446.88		78,446.88		54,482.17
03/01/2029		296,000.00	-296,000.00		-204,191.09
06/01/2029	313,446.88		313,446.88		214,770.85
06/30/2029				24,893.76	
09/01/2029		65,375.00	-65,375.00		-44,492.77
12/01/2029	72,425.00		72,425.00		48,959.00
03/01/2030		305,375.00	-305,375.00		-205,042.46
06/01/2030	322,425.00		322,425.00		215,033.12
06/30/2030				24,100.00	
09/01/2030		59,375.00	-59,375.00		-39,332.05
12/01/2030	66,018.75		66,018.75		43,438.67
03/01/2031		309,375.00	-309,375.00		-202,190.52
06/01/2031	326,018.75		326,018.75		211,633.53
06/30/2031				23,287.50	
09/01/2031		53,125.00	-53,125.00		-34,253.67
12/01/2031	59,193.75		59,193.75		37,909.70
03/01/2032		313,125.00	-313,125.00		-199,185.89
06/01/2032	334,193.75		334,193.75		211,157.00
06/30/2032				27,137.50	
09/01/2032		46,625.00	-46,625.00		-29,261.21
12/01/2032	51,975.00		51,975.00		32,399.20
03/01/2033		321,625.00	-321,625.00		-199,138.80
06/01/2033	341,975.00		341,975.00		210,313.31
06/30/2033				25,700.00	
09/01/2033		39,750.00	-39,750.00		-24,281.52
12/01/2033	44,362.50		44,362.50		26,916.65
03/01/2034		329,750.00	-329,750.00		-198,726.67
06/01/2034	349,362.50		349,362.50		209,128.85
06/30/2034				24,225.00	
09/01/2034		32,500.00	-32,500.00		-19,323.57
12/01/2034	36,356.25		36,356.25		21,470.86
03/01/2035		332,500.00	-332,500.00		-195,042.05
06/01/2035	356,356.25		356,356.25		207,628.66
06/30/2035				27,712.50	
09/01/2035		25,000.00	-25,000.00		-14,468.02
12/01/2035	27,956.25		27,956.25		16,069.95
03/01/2036		340,000.00	-340,000.00		-194,124.69
06/01/2036	362,956.25		362,956.25		205,836.53
06/30/2036				25,912.50	
09/01/2036		17,125.00	-17,125.00		-9,646.40
12/01/2036	19,162.50		19,162.50		10,721.44
03/01/2037		352,125.00	-352,125.00		-195,687.90
06/01/2037	374,162.50		374,162.50		206,535.02
06/30/2037				24,075.00	
09/01/2037		8,750.00	-8,750.00		-4,797.42
12/01/2037	9,843.75		9,843.75		5,360.76
03/01/2038		358,750.00	-358,750.00		-194,054.75
06/01/2038	384,843.75		384,843.75		206,767.91
06/30/2038				27,187.50	
	8,601,105.14	8,015,537.08	585,568.06	585,568.06	393,430.80

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Savings Summary

PV of savings from cash flow	393,430.80
Less: Prior funds on hand	-396,036.26
Plus: Refunding funds on hand	372,922.25
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Net PV Savings	370,316.79

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
09/01/2015		31,525.42	-31,525.42		-31,320.23
12/01/2015	73,055.00		73,055.00		72,090.89
03/01/2016		95,225.00	-95,225.00		-93,335.68
06/01/2016	73,055.00		73,055.00		71,123.48
06/30/2016				19,359.58	
09/01/2016		64,925.00	-64,925.00		-62,782.89
12/01/2016	73,055.00		73,055.00		70,169.05
03/01/2017		64,925.00	-64,925.00		-61,940.39
06/01/2017	73,055.00		73,055.00		69,227.44
06/30/2017				16,260.00	
09/01/2017		64,925.00	-64,925.00		-61,109.20
12/01/2017	73,055.00		73,055.00		68,298.45
03/01/2018		64,925.00	-64,925.00		-60,289.16
06/01/2018	73,055.00		73,055.00		67,381.94
06/30/2018				16,260.00	
09/01/2018		64,925.00	-64,925.00		-59,480.12
12/01/2018	73,055.00		73,055.00		66,477.72
03/01/2019		304,925.00	-304,925.00		-275,604.01
06/01/2019	318,055.00		318,055.00		285,536.11
06/30/2019				21,260.00	
09/01/2019		61,325.00	-61,325.00		-54,684.30
12/01/2019	67,665.00		67,665.00		59,931.55
03/01/2020		311,325.00	-311,325.00		-273,887.21
06/01/2020	327,665.00		327,665.00		286,321.61
06/30/2020				22,680.00	
09/01/2020		56,325.00	-56,325.00		-48,886.80
12/01/2020	61,815.00		61,815.00		53,290.60
03/01/2021		316,325.00	-316,325.00		-270,867.27
06/01/2021	331,815.00		331,815.00		282,218.41
06/30/2021				20,980.00	
09/01/2021		51,125.00	-51,125.00		-43,190.57
12/01/2021	55,605.00		55,605.00		46,659.04
03/01/2022		321,125.00	-321,125.00		-267,647.01
06/01/2022	340,605.00		340,605.00		281,971.75
06/30/2022				23,960.00	
09/01/2022		45,725.00	-45,725.00		-37,598.85
12/01/2022	48,907.50		48,907.50		39,945.02
03/01/2023		325,725.00	-325,725.00		-264,243.69
06/01/2023	343,907.50		343,907.50		277,115.93
06/30/2023				21,365.00	
09/01/2023		40,125.00	-40,125.00		-32,114.50
12/01/2023	41,901.25		41,901.25		33,310.37
03/01/2024		330,125.00	-330,125.00		-260,673.69
06/01/2024	351,901.25		351,901.25		275,997.98
06/30/2024				23,552.50	
09/01/2024		32,875.00	-32,875.00		-25,610.45
12/01/2024	34,461.25		34,461.25		26,665.44
03/01/2025		337,875.00	-337,875.00		-259,680.96
06/01/2025	359,461.25		359,461.25		274,411.58
06/30/2025				23,172.50	
09/01/2025		25,250.00	-25,250.00		-19,146.00
12/01/2025	26,580.00		26,580.00		20,018.80
03/01/2026		345,250.00	-345,250.00		-258,275.37
06/01/2026	366,580.00		366,580.00		272,385.75
06/30/2026				22,660.00	
09/01/2026		17,250.00	-17,250.00		-12,731.25
12/01/2026	18,250.00		18,250.00		13,378.61
03/01/2027		352,250.00	-352,250.00		-256,487.12
06/01/2027	373,250.00		373,250.00		269,948.35
06/30/2027				22,000.00	
09/01/2027		8,875.00	-8,875.00		-6,375.52

SAVINGS

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Date	Prior Debt Service	Refunding Debt Service	Savings	Annual Savings	Present Value to 06/04/2015 @ 2.7203593%
12/01/2027	9,375.00		9,375.00		6,689.36
03/01/2028		363,875.00	-363,875.00		-257,888.53
06/01/2028	384,375.00		384,375.00		270,583.47
06/30/2028				21,000.00	
	4,373,560.00	4,099,050.42	274,509.58	274,509.58	205,297.95

Savings Summary

PV of savings from cash flow	205,297.95
Plus: Refunding funds on hand	3,292.00
Net PV Savings	208,589.95

UNREFUNDED BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015	310,000	5.500%	26,225	336,225	
03/01/2016			17,700	17,700	
06/30/2016					353,925
09/01/2016	330,000	5.500%	17,700	347,700	
03/01/2017			8,625	8,625	
06/30/2017					356,325
09/01/2017	345,000	5.000%	8,625	353,625	
06/30/2018					353,625
	985,000		78,875	1,063,875	1,063,875

UNREFUNDED BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Kenai Peninsula Borough 2007 Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015	625,000	4.250%	42,393.75	667,393.75	696,506.25
03/01/2016			29,112.50	29,112.50	
06/30/2016	650,000	4.250%	29,112.50	679,112.50	694,412.50
09/01/2016			15,300.00	15,300.00	
03/01/2017	680,000	4.500%	15,300.00	695,300.00	695,300.00
06/30/2017					
09/01/2017					
06/30/2018					
	1,955,000		131,218.75	2,086,218.75	2,086,218.75

UNREFUNDED BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
10/01/2015			58,725	58,725	
04/01/2016	865,000	5.000%	58,725	923,725	
06/30/2016					982,450
10/01/2016			37,100	37,100	
04/01/2017	910,000	4.000%	37,100	947,100	
06/30/2017					984,200
10/01/2017			18,900	18,900	
04/01/2018	945,000	4.000%	18,900	963,900	
06/30/2018					982,800
	2,720,000		229,450	2,949,450	2,949,450

UNREFUNDED BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2015			9,567.50	9,567.50	
06/01/2016	130,000	4.000%	9,567.50	139,567.50	
06/30/2016					149,135
12/01/2016			6,967.50	6,967.50	
06/01/2017	135,000	4.100%	6,967.50	141,967.50	
06/30/2017					148,935
12/01/2017			4,200.00	4,200.00	
06/01/2018	140,000	6.000%	4,200.00	144,200.00	
06/30/2018					148,400
	405,000		41,470.00	446,470.00	446,470

UNREFUNDED BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
12/01/2015			15,962.50	15,962.50	
06/01/2016	215,000	4.000%	15,962.50	230,962.50	
06/30/2016					246,925
12/01/2016			11,662.50	11,662.50	
06/01/2017	225,000	4.100%	11,662.50	236,662.50	
06/30/2017					248,325
12/01/2017			7,050.00	7,050.00	
06/01/2018	235,000	6.000%	7,050.00	242,050.00	
06/30/2018					249,100
	675,000		69,350.00	744,350.00	744,350

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Cordova Civic Center Project

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			28,226.67	28,226.67	
03/01/2016	115,000	2.000%	58,400.00	173,400.00	
06/30/2016					201,626.67
09/01/2016			57,250.00	57,250.00	
03/01/2017	90,000	2.000%	57,250.00	147,250.00	
06/30/2017					204,500.00
09/01/2017			56,350.00	56,350.00	
03/01/2018	90,000	3.000%	56,350.00	146,350.00	
06/30/2018					202,700.00
09/01/2018			55,000.00	55,000.00	
03/01/2019	95,000	3.000%	55,000.00	150,000.00	
06/30/2019					205,000.00
09/01/2019			53,575.00	53,575.00	
03/01/2020	95,000	4.000%	53,575.00	148,575.00	
06/30/2020					202,150.00
09/01/2020			51,675.00	51,675.00	
03/01/2021	100,000	4.000%	51,675.00	151,675.00	
06/30/2021					203,350.00
09/01/2021			49,675.00	49,675.00	
03/01/2022	105,000	4.000%	49,675.00	154,675.00	
06/30/2022					204,350.00
09/01/2022			47,575.00	47,575.00	
03/01/2023	110,000	4.000%	47,575.00	157,575.00	
06/30/2023					205,150.00
09/01/2023			45,375.00	45,375.00	
03/01/2024	115,000	5.000%	45,375.00	160,375.00	
06/30/2024					205,750.00
09/01/2024			42,500.00	42,500.00	
03/01/2025	120,000	5.000%	42,500.00	162,500.00	
06/30/2025					205,000.00
09/01/2025			39,500.00	39,500.00	
03/01/2026	125,000	5.000%	39,500.00	164,500.00	
06/30/2026					204,000.00
09/01/2026			36,375.00	36,375.00	
03/01/2027	130,000	5.000%	36,375.00	166,375.00	
06/30/2027					202,750.00
09/01/2027			33,125.00	33,125.00	
03/01/2028	140,000	5.000%	33,125.00	173,125.00	
06/30/2028					206,250.00
09/01/2028			29,625.00	29,625.00	
03/01/2029	145,000	5.000%	29,625.00	174,625.00	
06/30/2029					204,250.00
09/01/2029			26,000.00	26,000.00	
03/01/2030	155,000	5.000%	26,000.00	181,000.00	
06/30/2030					207,000.00
09/01/2030			22,125.00	22,125.00	
03/01/2031	160,000	5.000%	22,125.00	182,125.00	
06/30/2031					204,250.00
09/01/2031			18,125.00	18,125.00	
03/01/2032	170,000	5.000%	18,125.00	188,125.00	
06/30/2032					206,250.00
09/01/2032			13,875.00	13,875.00	
03/01/2033	175,000	5.000%	13,875.00	188,875.00	
06/30/2033					202,750.00
09/01/2033			9,500.00	9,500.00	
03/01/2034	185,000	5.000%	9,500.00	194,500.00	
06/30/2034					204,000.00
09/01/2034			4,875.00	4,875.00	
03/01/2035	195,000	5.000%	4,875.00	199,875.00	
06/30/2035					204,750.00
	2,615,000		1,470,826.67	4,085,826.67	4,085,826.67

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway Public Safety Building

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			119,721.67	119,721.67	
03/01/2016	305,000	2.000%	247,700.00	552,700.00	
06/30/2016					672,421.67
09/01/2016			244,650.00	244,650.00	
03/01/2017	180,000	2.000%	244,650.00	424,650.00	
06/30/2017					669,300.00
09/01/2017			242,850.00	242,850.00	
03/01/2018	185,000	3.000%	242,850.00	427,850.00	
06/30/2018					670,700.00
09/01/2018			240,075.00	240,075.00	
03/01/2019	190,000	3.000%	240,075.00	430,075.00	
06/30/2019					670,150.00
09/01/2019			237,225.00	237,225.00	
03/01/2020	195,000	4.000%	237,225.00	432,225.00	
06/30/2020					669,450.00
09/01/2020			233,325.00	233,325.00	
03/01/2021	205,000	4.000%	233,325.00	438,325.00	
06/30/2021					671,650.00
09/01/2021			229,225.00	229,225.00	
03/01/2022	210,000	4.000%	229,225.00	439,225.00	
06/30/2022					668,450.00
09/01/2022			225,025.00	225,025.00	
03/01/2023	220,000	4.000%	225,025.00	445,025.00	
06/30/2023					670,050.00
09/01/2023			220,625.00	220,625.00	
03/01/2024	230,000	5.000%	220,625.00	450,625.00	
06/30/2024					671,250.00
09/01/2024			214,875.00	214,875.00	
03/01/2025	240,000	5.000%	214,875.00	454,875.00	
06/30/2025					669,750.00
09/01/2025			208,875.00	208,875.00	
03/01/2026	255,000	5.000%	208,875.00	463,875.00	
06/30/2026					672,750.00
09/01/2026			202,500.00	202,500.00	
03/01/2027	265,000	5.000%	202,500.00	467,500.00	
06/30/2027					670,000.00
09/01/2027			195,875.00	195,875.00	
03/01/2028	280,000	5.000%	195,875.00	475,875.00	
06/30/2028					671,750.00
09/01/2028			188,875.00	188,875.00	
03/01/2029	295,000	5.000%	188,875.00	483,875.00	
06/30/2029					672,750.00
09/01/2029			181,500.00	181,500.00	
03/01/2030	305,000	5.000%	181,500.00	486,500.00	
06/30/2030					668,000.00
09/01/2030			173,875.00	173,875.00	
03/01/2031	320,000	5.000%	173,875.00	493,875.00	
06/30/2031					667,750.00
09/01/2031			165,875.00	165,875.00	
03/01/2032	340,000	5.000%	165,875.00	505,875.00	
06/30/2032					671,750.00
09/01/2032			157,375.00	157,375.00	
03/01/2033	355,000	5.000%	157,375.00	512,375.00	
06/30/2033					669,750.00
09/01/2033			148,500.00	148,500.00	
03/01/2034	375,000	5.000%	148,500.00	523,500.00	
06/30/2034					672,000.00
09/01/2034			139,125.00	139,125.00	
03/01/2035	390,000	5.000%	139,125.00	529,125.00	
06/30/2035					668,250.00
09/01/2035			129,375.00	129,375.00	
03/01/2036	410,000	5.000%	129,375.00	539,375.00	
06/30/2036					668,750.00

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway Public Safety Building

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2036			119,125.00	119,125.00	
03/01/2037	430,000	5.000%	119,125.00	549,125.00	
06/30/2037					668,250.00
09/01/2037			108,375.00	108,375.00	
03/01/2038	455,000	5.000%	108,375.00	563,375.00	
06/30/2038					671,750.00
09/01/2038			97,000.00	97,000.00	
03/01/2039	475,000	5.000%	97,000.00	572,000.00	
06/30/2039					669,000.00
09/01/2039			85,125.00	85,125.00	
03/01/2040	500,000	5.000%	85,125.00	585,125.00	
06/30/2040					670,250.00
09/01/2040			72,625.00	72,625.00	
03/01/2041	525,000	5.000%	72,625.00	597,625.00	
06/30/2041					670,250.00
09/01/2041			59,500.00	59,500.00	
03/01/2042	550,000	5.000%	59,500.00	609,500.00	
06/30/2042					669,000.00
09/01/2042			45,750.00	45,750.00	
03/01/2043	580,000	5.000%	45,750.00	625,750.00	
06/30/2043					671,500.00
09/01/2043			31,250.00	31,250.00	
03/01/2044	610,000	5.000%	31,250.00	641,250.00	
06/30/2044					672,500.00
09/01/2044			16,000.00	16,000.00	
03/01/2045	640,000	5.000%	16,000.00	656,000.00	
06/30/2045					672,000.00
	10,515,000		9,596,171.67	20,111,171.67	20,111,171.67

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2015 AMT Dock Loan

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			253,387.50	253,387.50	
03/01/2016	790,000	2.000%	524,250.00	1,314,250.00	
06/30/2016					1,567,637.50
09/01/2016			516,350.00	516,350.00	
03/01/2017	535,000	2.000%	516,350.00	1,051,350.00	
06/30/2017					1,567,700.00
09/01/2017			511,000.00	511,000.00	
03/01/2018	540,000	3.000%	511,000.00	1,051,000.00	
06/30/2018					1,562,000.00
09/01/2018			502,900.00	502,900.00	
03/01/2019	560,000	3.000%	502,900.00	1,062,900.00	
06/30/2019					1,565,800.00
09/01/2019			494,500.00	494,500.00	
03/01/2020	575,000	4.000%	494,500.00	1,069,500.00	
06/30/2020					1,564,000.00
09/01/2020			483,000.00	483,000.00	
03/01/2021	600,000	4.000%	483,000.00	1,083,000.00	
06/30/2021					1,566,000.00
09/01/2021			471,000.00	471,000.00	
03/01/2022	625,000	4.000%	471,000.00	1,096,000.00	
06/30/2022					1,567,000.00
09/01/2022			458,500.00	458,500.00	
03/01/2023	650,000	4.000%	458,500.00	1,108,500.00	
06/30/2023					1,567,000.00
09/01/2023			445,500.00	445,500.00	
03/01/2024	675,000	5.000%	445,500.00	1,120,500.00	
06/30/2024					1,566,000.00
09/01/2024			428,625.00	428,625.00	
03/01/2025	705,000	5.000%	428,625.00	1,133,625.00	
06/30/2025					1,562,250.00
09/01/2025			411,000.00	411,000.00	
03/01/2026	745,000	5.000%	411,000.00	1,156,000.00	
06/30/2026					1,567,000.00
09/01/2026			392,375.00	392,375.00	
03/01/2027	780,000	5.000%	392,375.00	1,172,375.00	
06/30/2027					1,564,750.00
09/01/2027			372,875.00	372,875.00	
03/01/2028	820,000	5.000%	372,875.00	1,192,875.00	
06/30/2028					1,565,750.00
09/01/2028			352,375.00	352,375.00	
03/01/2029	860,000	5.000%	352,375.00	1,212,375.00	
06/30/2029					1,564,750.00
09/01/2029			330,875.00	330,875.00	
03/01/2030	900,000	5.000%	330,875.00	1,230,875.00	
06/30/2030					1,561,750.00
09/01/2030			308,375.00	308,375.00	
03/01/2031	950,000	5.000%	308,375.00	1,258,375.00	
06/30/2031					1,566,750.00
09/01/2031			284,625.00	284,625.00	
03/01/2032	995,000	5.000%	284,625.00	1,279,625.00	
06/30/2032					1,564,250.00
09/01/2032			259,750.00	259,750.00	
03/01/2033	1,050,000	5.000%	259,750.00	1,309,750.00	
06/30/2033					1,569,500.00
09/01/2033			233,500.00	233,500.00	
03/01/2034	1,100,000	5.000%	233,500.00	1,333,500.00	
06/30/2034					1,567,000.00
09/01/2034			206,000.00	206,000.00	
03/01/2035	1,150,000	5.000%	206,000.00	1,356,000.00	
06/30/2035					1,562,000.00
09/01/2035			177,250.00	177,250.00	
03/01/2036	1,210,000	5.000%	177,250.00	1,387,250.00	
06/30/2036					1,564,500.00

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2015 AMT Dock Loan

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2036			147,000.00	147,000.00	
03/01/2037	1,270,000	5.000%	147,000.00	1,417,000.00	
06/30/2037					1,564,000.00
09/01/2037			115,250.00	115,250.00	
03/01/2038	1,335,000	5.000%	115,250.00	1,450,250.00	
06/30/2038					1,565,500.00
09/01/2038			81,875.00	81,875.00	
03/01/2039	1,400,000	5.000%	81,875.00	1,481,875.00	
06/30/2039					1,563,750.00
09/01/2039			46,875.00	46,875.00	
03/01/2040	1,875,000	5.000%	46,875.00	1,921,875.00	
06/30/2040					1,968,750.00
	22,695,000		16,840,387.50	39,535,387.50	39,535,387.50

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2015 Port Project

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			51,547.50	51,547.50	
03/01/2016	165,000	2.000%	106,650.00	271,650.00	
06/30/2016					323,197.50
09/01/2016			105,000.00	105,000.00	
03/01/2017	110,000	2.000%	105,000.00	215,000.00	
06/30/2017					320,000.00
09/01/2017			103,900.00	103,900.00	
03/01/2018	115,000	3.000%	103,900.00	218,900.00	
06/30/2018					322,800.00
09/01/2018			102,175.00	102,175.00	
03/01/2019	115,000	3.000%	102,175.00	217,175.00	
06/30/2019					319,350.00
09/01/2019			100,450.00	100,450.00	
03/01/2020	120,000	4.000%	100,450.00	220,450.00	
06/30/2020					320,900.00
09/01/2020			98,050.00	98,050.00	
03/01/2021	125,000	4.000%	98,050.00	223,050.00	
06/30/2021					321,100.00
09/01/2021			95,550.00	95,550.00	
03/01/2022	130,000	4.000%	95,550.00	225,550.00	
06/30/2022					321,100.00
09/01/2022			92,950.00	92,950.00	
03/01/2023	135,000	4.000%	92,950.00	227,950.00	
06/30/2023					320,900.00
09/01/2023			90,250.00	90,250.00	
03/01/2024	140,000	5.000%	90,250.00	230,250.00	
06/30/2024					320,500.00
09/01/2024			86,750.00	86,750.00	
03/01/2025	145,000	5.000%	86,750.00	231,750.00	
06/30/2025					318,500.00
09/01/2025			83,125.00	83,125.00	
03/01/2026	155,000	5.000%	83,125.00	238,125.00	
06/30/2026					321,250.00
09/01/2026			79,250.00	79,250.00	
03/01/2027	160,000	5.000%	79,250.00	239,250.00	
06/30/2027					318,500.00
09/01/2027			75,250.00	75,250.00	
03/01/2028	170,000	5.000%	75,250.00	245,250.00	
06/30/2028					320,500.00
09/01/2028			71,000.00	71,000.00	
03/01/2029	180,000	5.000%	71,000.00	251,000.00	
06/30/2029					322,000.00
09/01/2029			66,500.00	66,500.00	
03/01/2030	190,000	5.000%	66,500.00	256,500.00	
06/30/2030					323,000.00
09/01/2030			61,750.00	61,750.00	
03/01/2031	195,000	5.000%	61,750.00	256,750.00	
06/30/2031					318,500.00
09/01/2031			56,875.00	56,875.00	
03/01/2032	205,000	5.000%	56,875.00	261,875.00	
06/30/2032					318,750.00
09/01/2032			51,750.00	51,750.00	
03/01/2033	215,000	5.000%	51,750.00	266,750.00	
06/30/2033					318,500.00
09/01/2033			46,375.00	46,375.00	
03/01/2034	230,000	5.000%	46,375.00	276,375.00	
06/30/2034					322,750.00
09/01/2034			40,625.00	40,625.00	
03/01/2035	240,000	5.000%	40,625.00	280,625.00	
06/30/2035					321,250.00
09/01/2035			34,625.00	34,625.00	
03/01/2036	250,000	5.000%	34,625.00	284,625.00	
06/30/2036					319,250.00

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2015 Port Project

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2036			28,375.00	28,375.00	
03/01/2037	265,000	5.000%	28,375.00	293,375.00	
06/30/2037					321,750.00
09/01/2037			21,750.00	21,750.00	
03/01/2038	275,000	5.000%	21,750.00	296,750.00	
06/30/2038					318,500.00
09/01/2038			14,875.00	14,875.00	
03/01/2039	290,000	5.000%	14,875.00	304,875.00	
06/30/2039					319,750.00
09/01/2039			7,625.00	7,625.00	
03/01/2040	305,000	5.000%	7,625.00	312,625.00	
06/30/2040					320,250.00
	4,625,000		3,387,847.50	8,012,847.50	8,012,847.50

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau Refunding of 2005 School Bonds

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			21,834.58	21,834.58	
03/01/2016	625,000	2.000%	45,175.00	670,175.00	
06/30/2016					692,009.58
09/01/2016			38,925.00	38,925.00	
03/01/2017	615,000	2.000%	38,925.00	653,925.00	
06/30/2017					692,850.00
09/01/2017			32,775.00	32,775.00	
03/01/2018	635,000	3.000%	32,775.00	667,775.00	
06/30/2018					700,550.00
09/01/2018			23,250.00	23,250.00	
03/01/2019	650,000	3.000%	23,250.00	673,250.00	
06/30/2019					696,500.00
09/01/2019			13,500.00	13,500.00	
03/01/2020	675,000	4.000%	13,500.00	688,500.00	
06/30/2020					702,000.00
	3,200,000		283,909.58	3,483,909.58	3,483,909.58

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			76,970.83	76,970.83	
03/01/2016	60,000	2.000%	159,250.00	219,250.00	
06/30/2016					296,220.83
09/01/2016			158,650.00	158,650.00	
03/01/2017			158,650.00	158,650.00	
06/30/2017					317,300.00
09/01/2017			158,650.00	158,650.00	
03/01/2018			158,650.00	158,650.00	
06/30/2018					317,300.00
09/01/2018			158,650.00	158,650.00	
03/01/2019	335,000	3.000%	158,650.00	493,650.00	
06/30/2019					652,300.00
09/01/2019			153,625.00	153,625.00	
03/01/2020	340,000	4.000%	153,625.00	493,625.00	
06/30/2020					647,250.00
09/01/2020			146,825.00	146,825.00	
03/01/2021	355,000	4.000%	146,825.00	501,825.00	
06/30/2021					648,650.00
09/01/2021			139,725.00	139,725.00	
03/01/2022	370,000	4.000%	139,725.00	509,725.00	
06/30/2022					649,450.00
09/01/2022			132,325.00	132,325.00	
03/01/2023	385,000	4.000%	132,325.00	517,325.00	
06/30/2023					649,650.00
09/01/2023			124,625.00	124,625.00	
03/01/2024	400,000	5.000%	124,625.00	524,625.00	
06/30/2024					649,250.00
09/01/2024			114,625.00	114,625.00	
03/01/2025	420,000	5.000%	114,625.00	534,625.00	
06/30/2025					649,250.00
09/01/2025			104,125.00	104,125.00	
03/01/2026	440,000	5.000%	104,125.00	544,125.00	
06/30/2026					648,250.00
09/01/2026			93,125.00	93,125.00	
03/01/2027	460,000	5.000%	93,125.00	553,125.00	
06/30/2027					646,250.00
09/01/2027			81,625.00	81,625.00	
03/01/2028	485,000	5.000%	81,625.00	566,625.00	
06/30/2028					648,250.00
09/01/2028			69,500.00	69,500.00	
03/01/2029	505,000	5.000%	69,500.00	574,500.00	
06/30/2029					644,000.00
09/01/2029			56,875.00	56,875.00	
03/01/2030	530,000	5.000%	56,875.00	586,875.00	
06/30/2030					643,750.00
09/01/2030			43,625.00	43,625.00	
03/01/2031	555,000	5.000%	43,625.00	598,625.00	
06/30/2031					642,250.00
09/01/2031			29,750.00	29,750.00	
03/01/2032	580,000	5.000%	29,750.00	609,750.00	
06/30/2032					639,500.00
09/01/2032			15,250.00	15,250.00	
03/01/2033	610,000	5.000%	15,250.00	625,250.00	
06/30/2033					640,500.00
	6,830,000		3,799,370.83	10,629,370.83	10,629,370.83

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Kenai Peninsula Borough 2007 Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			90,757.92	90,757.92	
03/01/2016	100,000	2.000%	187,775.00	287,775.00	
06/30/2016					378,532.92
09/01/2016			186,775.00	186,775.00	
03/01/2017	5,000	2.000%	186,775.00	191,775.00	
06/30/2017					378,550.00
09/01/2017			186,725.00	186,725.00	
03/01/2018	5,000	3.000%	186,725.00	191,725.00	
06/30/2018					378,450.00
09/01/2018			186,650.00	186,650.00	
03/01/2019	700,000	3.000%	186,650.00	886,650.00	
06/30/2019					1,073,300.00
09/01/2019			176,150.00	176,150.00	
03/01/2020	720,000	4.000%	176,150.00	896,150.00	
06/30/2020					1,072,300.00
09/01/2020			161,750.00	161,750.00	
03/01/2021	745,000	4.000%	161,750.00	906,750.00	
06/30/2021					1,068,500.00
09/01/2021			146,850.00	146,850.00	
03/01/2022	775,000	4.000%	146,850.00	921,850.00	
06/30/2022					1,068,700.00
09/01/2022			131,350.00	131,350.00	
03/01/2023	805,000	4.000%	131,350.00	936,350.00	
06/30/2023					1,067,700.00
09/01/2023			115,250.00	115,250.00	
03/01/2024	835,000	5.000%	115,250.00	950,250.00	
06/30/2024					1,065,500.00
09/01/2024			94,375.00	94,375.00	
03/01/2025	880,000	5.000%	94,375.00	974,375.00	
06/30/2025					1,068,750.00
09/01/2025			72,375.00	72,375.00	
03/01/2026	915,000	5.000%	72,375.00	987,375.00	
06/30/2026					1,059,750.00
09/01/2026			49,500.00	49,500.00	
03/01/2027	965,000	5.000%	49,500.00	1,014,500.00	
06/30/2027					1,064,000.00
09/01/2027			25,375.00	25,375.00	
03/01/2028	1,015,000	5.000%	25,375.00	1,040,375.00	
06/30/2028					1,065,750.00
	8,465,000		3,344,782.92	11,809,782.92	11,809,782.92

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			220,605.42	220,605.42	
03/01/2016	190,000	2.000%	456,425.00	646,425.00	
06/30/2016					867,030.42
09/01/2016			454,525.00	454,525.00	
03/01/2017			454,525.00	454,525.00	
06/30/2017					909,050.00
09/01/2017			454,525.00	454,525.00	
03/01/2018			454,525.00	454,525.00	
06/30/2018					909,050.00
09/01/2018			454,525.00	454,525.00	
03/01/2019	945,000	3.000%	454,525.00	1,399,525.00	
06/30/2019					1,854,050.00
09/01/2019			440,350.00	440,350.00	
03/01/2020	975,000	4.000%	440,350.00	1,415,350.00	
06/30/2020					1,855,700.00
09/01/2020			420,850.00	420,850.00	
03/01/2021	1,010,000	4.000%	420,850.00	1,430,850.00	
06/30/2021					1,851,700.00
09/01/2021			400,650.00	400,650.00	
03/01/2022	1,050,000	4.000%	400,650.00	1,450,650.00	
06/30/2022					1,851,300.00
09/01/2022			379,650.00	379,650.00	
03/01/2023	1,095,000	4.000%	379,650.00	1,474,650.00	
06/30/2023					1,854,300.00
09/01/2023			357,750.00	357,750.00	
03/01/2024	1,135,000	5.000%	357,750.00	1,492,750.00	
06/30/2024					1,850,500.00
09/01/2024			329,375.00	329,375.00	
03/01/2025	1,195,000	5.000%	329,375.00	1,524,375.00	
06/30/2025					1,853,750.00
09/01/2025			299,500.00	299,500.00	
03/01/2026	1,255,000	5.000%	299,500.00	1,554,500.00	
06/30/2026					1,854,000.00
09/01/2026			268,125.00	268,125.00	
03/01/2027	1,315,000	5.000%	268,125.00	1,583,125.00	
06/30/2027					1,851,250.00
09/01/2027			235,250.00	235,250.00	
03/01/2028	1,380,000	5.000%	235,250.00	1,615,250.00	
06/30/2028					1,850,500.00
09/01/2028			200,750.00	200,750.00	
03/01/2029	1,455,000	5.000%	200,750.00	1,655,750.00	
06/30/2029					1,856,500.00
09/01/2029			164,375.00	164,375.00	
03/01/2030	1,525,000	5.000%	164,375.00	1,689,375.00	
06/30/2030					1,853,750.00
09/01/2030			126,250.00	126,250.00	
03/01/2031	1,605,000	5.000%	126,250.00	1,731,250.00	
06/30/2031					1,857,500.00
09/01/2031			86,125.00	86,125.00	
03/01/2032	1,680,000	5.000%	86,125.00	1,766,125.00	
06/30/2032					1,852,250.00
09/01/2032			44,125.00	44,125.00	
03/01/2033	1,765,000	5.000%	44,125.00	1,809,125.00	
06/30/2033					1,853,250.00
	19,575,000		10,910,430.42	30,485,430.42	30,485,430.42

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			53,662.08	53,662.08	
03/01/2016	50,000	2.000%	111,025.00	161,025.00	
06/30/2016					214,687.08
09/01/2016			110,525.00	110,525.00	
03/01/2017			110,525.00	110,525.00	
06/30/2017					221,050.00
09/01/2017			110,525.00	110,525.00	
03/01/2018			110,525.00	110,525.00	
06/30/2018					221,050.00
09/01/2018			110,525.00	110,525.00	
03/01/2019	150,000	3.000%	110,525.00	260,525.00	
06/30/2019					371,050.00
09/01/2019			108,275.00	108,275.00	
03/01/2020	150,000	4.000%	108,275.00	258,275.00	
06/30/2020					366,550.00
09/01/2020			105,275.00	105,275.00	
03/01/2021	155,000	4.000%	105,275.00	260,275.00	
06/30/2021					365,550.00
09/01/2021			102,175.00	102,175.00	
03/01/2022	165,000	4.000%	102,175.00	267,175.00	
06/30/2022					369,350.00
09/01/2022			98,875.00	98,875.00	
03/01/2023	175,000	4.000%	98,875.00	273,875.00	
06/30/2023					372,750.00
09/01/2023			95,375.00	95,375.00	
03/01/2024	175,000	5.000%	95,375.00	270,375.00	
06/30/2024					365,750.00
09/01/2024			91,000.00	91,000.00	
03/01/2025	185,000	5.000%	91,000.00	276,000.00	
06/30/2025					367,000.00
09/01/2025			86,375.00	86,375.00	
03/01/2026	195,000	5.000%	86,375.00	281,375.00	
06/30/2026					367,750.00
09/01/2026			81,500.00	81,500.00	
03/01/2027	205,000	5.000%	81,500.00	286,500.00	
06/30/2027					368,000.00
09/01/2027			76,375.00	76,375.00	
03/01/2028	215,000	5.000%	76,375.00	291,375.00	
06/30/2028					367,750.00
09/01/2028			71,000.00	71,000.00	
03/01/2029	225,000	5.000%	71,000.00	296,000.00	
06/30/2029					367,000.00
09/01/2029			65,375.00	65,375.00	
03/01/2030	240,000	5.000%	65,375.00	305,375.00	
06/30/2030					370,750.00
09/01/2030			59,375.00	59,375.00	
03/01/2031	250,000	5.000%	59,375.00	309,375.00	
06/30/2031					368,750.00
09/01/2031			53,125.00	53,125.00	
03/01/2032	260,000	5.000%	53,125.00	313,125.00	
06/30/2032					366,250.00
09/01/2032			46,625.00	46,625.00	
03/01/2033	275,000	5.000%	46,625.00	321,625.00	
06/30/2033					368,250.00
09/01/2033			39,750.00	39,750.00	
03/01/2034	290,000	5.000%	39,750.00	329,750.00	
06/30/2034					369,500.00
09/01/2034			32,500.00	32,500.00	
03/01/2035	300,000	5.000%	32,500.00	332,500.00	
06/30/2035					365,000.00
09/01/2035			25,000.00	25,000.00	
03/01/2036	315,000	5.000%	25,000.00	340,000.00	
06/30/2036					365,000.00

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2036			17,125.00	17,125.00	
03/01/2037	335,000	5.000%	17,125.00	352,125.00	
06/30/2037					369,250.00
09/01/2037			8,750.00	8,750.00	
03/01/2038	350,000	5.000%	8,750.00	358,750.00	
06/30/2038					367,500.00
	4,660,000		3,355,537.08	8,015,537.08	8,015,537.08

BOND DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
09/01/2015			31,525.42	31,525.42	
03/01/2016	30,000	2.000%	65,225.00	95,225.00	
06/30/2016					126,750.42
09/01/2016			64,925.00	64,925.00	
03/01/2017			64,925.00	64,925.00	
06/30/2017					129,850.00
09/01/2017			64,925.00	64,925.00	
03/01/2018			64,925.00	64,925.00	
06/30/2018					129,850.00
09/01/2018			64,925.00	64,925.00	
03/01/2019	240,000	3.000%	64,925.00	304,925.00	
06/30/2019					369,850.00
09/01/2019			61,325.00	61,325.00	
03/01/2020	250,000	4.000%	61,325.00	311,325.00	
06/30/2020					372,650.00
09/01/2020			56,325.00	56,325.00	
03/01/2021	260,000	4.000%	56,325.00	316,325.00	
06/30/2021					372,650.00
09/01/2021			51,125.00	51,125.00	
03/01/2022	270,000	4.000%	51,125.00	321,125.00	
06/30/2022					372,250.00
09/01/2022			45,725.00	45,725.00	
03/01/2023	280,000	4.000%	45,725.00	325,725.00	
06/30/2023					371,450.00
09/01/2023			40,125.00	40,125.00	
03/01/2024	290,000	5.000%	40,125.00	330,125.00	
06/30/2024					370,250.00
09/01/2024			32,875.00	32,875.00	
03/01/2025	305,000	5.000%	32,875.00	337,875.00	
06/30/2025					370,750.00
09/01/2025			25,250.00	25,250.00	
03/01/2026	320,000	5.000%	25,250.00	345,250.00	
06/30/2026					370,500.00
09/01/2026			17,250.00	17,250.00	
03/01/2027	335,000	5.000%	17,250.00	352,250.00	
06/30/2027					369,500.00
09/01/2027			8,875.00	8,875.00	
03/01/2028	355,000	5.000%	8,875.00	363,875.00	
06/30/2028					372,750.00
	2,935,000		1,164,050.42	4,099,050.42	4,099,050.42

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Cordova Civic Center Project

Period Ending	Cordova Civic Center Project	Aggregate Debt Service
06/30/2016	201,626.67	201,626.67
06/30/2017	204,500.00	204,500.00
06/30/2018	202,700.00	202,700.00
06/30/2019	205,000.00	205,000.00
06/30/2020	202,150.00	202,150.00
06/30/2021	203,350.00	203,350.00
06/30/2022	204,350.00	204,350.00
06/30/2023	205,150.00	205,150.00
06/30/2024	205,750.00	205,750.00
06/30/2025	205,000.00	205,000.00
06/30/2026	204,000.00	204,000.00
06/30/2027	202,750.00	202,750.00
06/30/2028	206,250.00	206,250.00
06/30/2029	204,250.00	204,250.00
06/30/2030	207,000.00	207,000.00
06/30/2031	204,250.00	204,250.00
06/30/2032	206,250.00	206,250.00
06/30/2033	202,750.00	202,750.00
06/30/2034	204,000.00	204,000.00
06/30/2035	204,750.00	204,750.00
	4,085,826.67	4,085,826.67

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway Public Safety Building

Period Ending	Skagway Public Safety Building	Aggregate Debt Service
06/30/2016	672,421.67	672,421.67
06/30/2017	669,300.00	669,300.00
06/30/2018	670,700.00	670,700.00
06/30/2019	670,150.00	670,150.00
06/30/2020	669,450.00	669,450.00
06/30/2021	671,650.00	671,650.00
06/30/2022	668,450.00	668,450.00
06/30/2023	670,050.00	670,050.00
06/30/2024	671,250.00	671,250.00
06/30/2025	669,750.00	669,750.00
06/30/2026	672,750.00	672,750.00
06/30/2027	670,000.00	670,000.00
06/30/2028	671,750.00	671,750.00
06/30/2029	672,750.00	672,750.00
06/30/2030	668,000.00	668,000.00
06/30/2031	667,750.00	667,750.00
06/30/2032	671,750.00	671,750.00
06/30/2033	669,750.00	669,750.00
06/30/2034	672,000.00	672,000.00
06/30/2035	668,250.00	668,250.00
06/30/2036	668,750.00	668,750.00
06/30/2037	668,250.00	668,250.00
06/30/2038	671,750.00	671,750.00
06/30/2039	669,000.00	669,000.00
06/30/2040	670,250.00	670,250.00
06/30/2041	670,250.00	670,250.00
06/30/2042	669,000.00	669,000.00
06/30/2043	671,500.00	671,500.00
06/30/2044	672,500.00	672,500.00
06/30/2045	672,000.00	672,000.00
20,111,171.67		20,111,171.67

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2015 AMT Dock Loan

Period Ending	Juneau 2015 AMT Dock Loan	Juneau 2014 Dock Loan	Aggregate Debt Service
06/30/2016	1,567,637.50	403,187.50	1,970,825.00
06/30/2017	1,567,700.00	403,837.50	1,971,537.50
06/30/2018	1,562,000.00	407,837.50	1,969,837.50
06/30/2019	1,565,800.00	404,837.50	1,970,637.50
06/30/2020	1,564,000.00	406,537.50	1,970,537.50
06/30/2021	1,566,000.00	403,137.50	1,969,137.50
06/30/2022	1,567,000.00	404,637.50	1,971,637.50
06/30/2023	1,567,000.00	405,637.50	1,972,637.50
06/30/2024	1,566,000.00	406,137.50	1,972,137.50
06/30/2025	1,562,250.00	406,137.50	1,968,387.50
06/30/2026	1,567,000.00	404,575.00	1,971,575.00
06/30/2027	1,564,750.00	403,825.00	1,968,575.00
06/30/2028	1,565,750.00	407,575.00	1,973,325.00
06/30/2029	1,564,750.00	405,575.00	1,970,325.00
06/30/2030	1,561,750.00	408,075.00	1,969,825.00
06/30/2031	1,566,750.00	404,825.00	1,971,575.00
06/30/2032	1,564,250.00	407,450.00	1,971,700.00
06/30/2033	1,569,500.00	402,950.00	1,972,450.00
06/30/2034	1,567,000.00	402,950.00	1,969,950.00
06/30/2035	1,562,000.00	407,200.00	1,969,200.00
06/30/2036	1,564,500.00	403,800.00	1,968,300.00
06/30/2037	1,564,000.00	405,000.00	1,969,000.00
06/30/2038	1,565,500.00	405,600.00	1,971,100.00
06/30/2039	1,563,750.00	405,600.00	1,969,350.00
06/30/2040	1,968,750.00		1,968,750.00
	39,535,387.50	9,726,925.00	49,262,312.50

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2015 Port Project

Period Ending	Skagway 2015 Port Project	Aggregate Debt Service
06/30/2016	323,197.50	323,197.50
06/30/2017	320,000.00	320,000.00
06/30/2018	322,800.00	322,800.00
06/30/2019	319,350.00	319,350.00
06/30/2020	320,900.00	320,900.00
06/30/2021	321,100.00	321,100.00
06/30/2022	321,100.00	321,100.00
06/30/2023	320,900.00	320,900.00
06/30/2024	320,500.00	320,500.00
06/30/2025	318,500.00	318,500.00
06/30/2026	321,250.00	321,250.00
06/30/2027	318,500.00	318,500.00
06/30/2028	320,500.00	320,500.00
06/30/2029	322,000.00	322,000.00
06/30/2030	323,000.00	323,000.00
06/30/2031	318,500.00	318,500.00
06/30/2032	318,750.00	318,750.00
06/30/2033	318,500.00	318,500.00
06/30/2034	322,750.00	322,750.00
06/30/2035	321,250.00	321,250.00
06/30/2036	319,250.00	319,250.00
06/30/2037	321,750.00	321,750.00
06/30/2038	318,500.00	318,500.00
06/30/2039	319,750.00	319,750.00
06/30/2040	320,250.00	320,250.00
	8,012,847.50	8,012,847.50

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau Refunding of 2005 School Bonds

Period Ending	Juneau Refunding of 2005 School Bonds	Aggregate Debt Service
06/30/2016	692,009.58	692,009.58
06/30/2017	692,850.00	692,850.00
06/30/2018	700,550.00	700,550.00
06/30/2019	696,500.00	696,500.00
06/30/2020	702,000.00	702,000.00
	3,483,909.58	3,483,909.58

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Period Ending	Juneau 2007 Harbor Bond Refunding	Unrefunded Bonds	Aggregate Debt Service
06/30/2016	296,220.83	353,925	650,145.83
06/30/2017	317,300.00	356,325	673,625.00
06/30/2018	317,300.00	353,625	670,925.00
06/30/2019	652,300.00		652,300.00
06/30/2020	647,250.00		647,250.00
06/30/2021	648,650.00		648,650.00
06/30/2022	649,450.00		649,450.00
06/30/2023	649,650.00		649,650.00
06/30/2024	649,250.00		649,250.00
06/30/2025	649,250.00		649,250.00
06/30/2026	648,250.00		648,250.00
06/30/2027	646,250.00		646,250.00
06/30/2028	648,250.00		648,250.00
06/30/2029	644,000.00		644,000.00
06/30/2030	643,750.00		643,750.00
06/30/2031	642,250.00		642,250.00
06/30/2032	639,500.00		639,500.00
06/30/2033	640,500.00		640,500.00
	10,629,370.83	1,063,875	11,693,245.83

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Kenai Peninsula Borough 2007 Refunding

Period Ending	Kenai Peninsula Borough 2007 Refunding	Unrefunded Bonds	Aggregate Debt Service
06/30/2016	378,532.92	696,506.25	1,075,039.17
06/30/2017	378,550.00	694,412.50	1,072,962.50
06/30/2018	378,450.00	695,300.00	1,073,750.00
06/30/2019	1,073,300.00		1,073,300.00
06/30/2020	1,072,300.00		1,072,300.00
06/30/2021	1,068,500.00		1,068,500.00
06/30/2022	1,068,700.00		1,068,700.00
06/30/2023	1,067,700.00		1,067,700.00
06/30/2024	1,065,500.00		1,065,500.00
06/30/2025	1,068,750.00		1,068,750.00
06/30/2026	1,059,750.00		1,059,750.00
06/30/2027	1,064,000.00		1,064,000.00
06/30/2028	1,065,750.00		1,065,750.00
	11,809,782.92	2,086,218.75	13,896,001.67

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Period Ending	Seward 2008I Refunding	Unrefunded Bonds	Aggregate Debt Service
06/30/2016	867,030.42	982,450	1,849,480.42
06/30/2017	909,050.00	984,200	1,893,250.00
06/30/2018	909,050.00	982,800	1,891,850.00
06/30/2019	1,854,050.00		1,854,050.00
06/30/2020	1,855,700.00		1,855,700.00
06/30/2021	1,851,700.00		1,851,700.00
06/30/2022	1,851,300.00		1,851,300.00
06/30/2023	1,854,300.00		1,854,300.00
06/30/2024	1,850,500.00		1,850,500.00
06/30/2025	1,853,750.00		1,853,750.00
06/30/2026	1,854,000.00		1,854,000.00
06/30/2027	1,851,250.00		1,851,250.00
06/30/2028	1,850,500.00		1,850,500.00
06/30/2029	1,856,500.00		1,856,500.00
06/30/2030	1,853,750.00		1,853,750.00
06/30/2031	1,857,500.00		1,857,500.00
06/30/2032	1,852,250.00		1,852,250.00
06/30/2033	1,853,250.00		1,853,250.00
	30,485,430.42	2,949,450	33,434,880.42

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Period Ending	Seward 2008II Refunding	Unrefunded Bonds	Aggregate Debt Service
06/30/2016	214,687.08	149,135	363,822.08
06/30/2017	221,050.00	148,935	369,985.00
06/30/2018	221,050.00	148,400	369,450.00
06/30/2019	371,050.00		371,050.00
06/30/2020	366,550.00		366,550.00
06/30/2021	365,550.00		365,550.00
06/30/2022	369,350.00		369,350.00
06/30/2023	372,750.00		372,750.00
06/30/2024	365,750.00		365,750.00
06/30/2025	367,000.00		367,000.00
06/30/2026	367,750.00		367,750.00
06/30/2027	368,000.00		368,000.00
06/30/2028	367,750.00		367,750.00
06/30/2029	367,000.00		367,000.00
06/30/2030	370,750.00		370,750.00
06/30/2031	368,750.00		368,750.00
06/30/2032	366,250.00		366,250.00
06/30/2033	368,250.00		368,250.00
06/30/2034	369,500.00		369,500.00
06/30/2035	365,000.00		365,000.00
06/30/2036	365,000.00		365,000.00
06/30/2037	369,250.00		369,250.00
06/30/2038	367,500.00		367,500.00
	8,015,537.08	446,470	8,462,007.08

AGGREGATE DEBT SERVICE

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Period Ending	Skagway 2008II Refunding	Unrefunded Bonds	Aggregate Debt Service
06/30/2016	126,750.42	246,925	373,675.42
06/30/2017	129,850.00	248,325	378,175.00
06/30/2018	129,850.00	249,100	378,950.00
06/30/2019	369,850.00		369,850.00
06/30/2020	372,650.00		372,650.00
06/30/2021	372,650.00		372,650.00
06/30/2022	372,250.00		372,250.00
06/30/2023	371,450.00		371,450.00
06/30/2024	370,250.00		370,250.00
06/30/2025	370,750.00		370,750.00
06/30/2026	370,500.00		370,500.00
06/30/2027	369,500.00		369,500.00
06/30/2028	372,750.00		372,750.00
	4,099,050.42	744,350	4,843,400.42

ESCROW REQUIREMENTS

Alaska Municipal Bond Bank Series 2015 Two
Juneau Refunding of 2005 School Bonds

Period Ending	Interest	Principal Redeemed	Total
06/04/2015	33,148.69	3,325,000.00	3,358,148.69
	33,148.69	3,325,000.00	3,358,148.69

ESCROW REQUIREMENTS

Alaska Municipal Bond Bank Series 2015 Two
Juneau 2007 Harbor Bond Refunding

Period Ending	Interest	Principal Redeemed	Total
09/01/2015	196,625.00		196,625.00
03/01/2016	196,625.00		196,625.00
09/01/2016	196,625.00		196,625.00
03/01/2017	196,625.00		196,625.00
09/01/2017	196,625.00	7,865,000.00	8,061,625.00
	983,125.00	7,865,000.00	8,848,125.00

ESCROW REQUIREMENTS

Alaska Municipal Bond Bank Series 2015 Two
Kenai Peninsula Borough 2007 Refunding

Period Ending	Interest	Principal Redeemed	Total
09/01/2015	216,031.25		216,031.25
03/01/2016	216,031.25		216,031.25
09/01/2016	216,031.25		216,031.25
03/01/2017	216,031.25		216,031.25
09/01/2017	216,031.25	8,890,000.00	9,106,031.25
	1,080,156.25	8,890,000.00	9,970,156.25

ESCROW REQUIREMENTS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008I Refunding

Period Ending	Interest	Principal Redeemed	Total
10/01/2015	493,856.25		493,856.25
04/01/2016	493,856.25		493,856.25
10/01/2016	493,856.25		493,856.25
04/01/2017	493,856.25		493,856.25
10/01/2017	493,856.25		493,856.25
04/01/2018	493,856.25	20,530,000.00	21,023,856.25
	2,963,137.50	20,530,000.00	23,493,137.50

ESCROW REQUIREMENTS

Alaska Municipal Bond Bank Series 2015 Two
Seward 2008II Refunding

Period Ending	Interest	Principal Redeemed	Total
12/01/2015	122,375.63		122,375.63
06/01/2016	122,375.63		122,375.63
12/01/2016	122,375.63		122,375.63
06/01/2017	122,375.63		122,375.63
12/01/2017	122,375.63		122,375.63
06/01/2018	122,375.63	4,840,000.00	4,962,375.63
	734,253.78	4,840,000.00	5,574,253.78

ESCROW REQUIREMENTS

Alaska Municipal Bond Bank Series 2015 Two
Skagway 2008II Refunding

Period Ending	Interest	Principal Redeemed	Total
12/01/2015	73,055.00		73,055.00
06/01/2016	73,055.00		73,055.00
12/01/2016	73,055.00		73,055.00
06/01/2017	73,055.00		73,055.00
12/01/2017	73,055.00		73,055.00
06/01/2018	73,055.00	3,060,000.00	3,133,055.00
	438,330.00	3,060,000.00	3,498,330.00

Alaska Municipal Bond Bank

General Obligation (2005 Resolution) Series Two 2015A (Governmental Purpose), 2015B (AMT)

Financing Schedule

MARCH						
S	M	T	W	T	F	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

APRIL						
S	M	T	W	T	F	S
			1	2	3	4
5	6	7	8	9	10	11
12	13	14	15	16	17	18
19	20	21	22	23	24	25
26	27	28	29	30		

MAY						
S	M	T	W	T	F	S
					1	2
3	4	5	6	7	8	9
10	11	12	13	14	15	16
17	18	19	20	21	22	23
24	25	26	27	28	29	30
31						

JUNE						
S	M	T	W	T	F	S
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30				

Key to Participants:

AMBB = Alaska Municipal Bond Bank

FA = Financial Advisor (Western Financial Group)

BC = Bond Counsel (Wohlforth, Brecht & Cartledge)

UND = RBC

WG = Working Group (All of the Above)

Mon-Mar-9-15	Distribute draft financing schedule	FA
Wed-Mar-11-15	Working Group call to discuss schedule and structure	WG
Thu-Mar-19-15	Distribute first draft POS, Bond Resolution	FA, BC
Tue-Mar-24-15	Comments on 1st draft of POS, Bond Resolution	WG
Thu-Mar-26-15	Distribute 2nd draft of POS to WG, Bond Resolution	FA, BC
Tue-Mar-31-15	Comments on 2nd draft of POS, Bond Resolution	WG
Thu-Apr-2-15	Distribute POS, Bond Resolution, Loan Summaries to rating agencies	FA, BC
Thu-Apr-2-15	Loan Summaries, Bond Resolution and draft POS to AMBB for Board Distribution	FA, BC
Thu-Apr-2-15	Distribute 3rd draft of POS to WG	FA
Thu-Apr-9-15	AMBB Board Meeting to approve Resolution, review loans	WG
Thu-Apr-9-15	Comments due on 3rd draft of POS	WG
Wed-Apr-29-15	Receive ratings	FA
Thu-Apr-30-15	Post POS to internet	WG
Wed-May-13-15	Pricing	AMBB, FA
Mon-May-18-15	Distribute draft Final OS	FA
Wed-May-20-15	Comments due on Final OS, deliver Final OS to printer	FA
Thu-May-21-15	Transcript preparation begins	BC
Fri-May-22-15	Closing documents distributed to WG	BC
Wed-Jun-3-15	PRE-CLOSING IN SEATTLE	WG
Thu-Jun-4-15	CLOSING IN SEATTLE	WG

**Alaska Municipal Bond Bank
General Obligation Refunding Bonds
2015 Series Two
Distribution List**

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**Alaska Municipal Bond Bank
General Obligation Refunding Bonds
2015 Series Two
Distribution List**

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Municipality of Skagway

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**Alaska Municipal Bond Bank
General Obligation Refunding Bonds
2015 Series Two
Distribution List**

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Borough Co-Bond Counsel (continued)**

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ALASKA MUNICIPAL BOND BANK AUTHORITY
(a Component Unit of the State of Alaska)

Financial Statements

For the Six Month Period Ended December 31, 2014

Together with Accountant's Report Thereon

ELGEE REHFELD MERTZ, LLC

CERTIFIED PUBLIC ACCOUNTANTS

9309 Glacier Highway, Suite B-200 • Juneau, Alaska 99801
907.789.3178 • FAX 907.789.7128 • www.ermcpa.com

Accountant's Compilation Report

To the Board of Directors
Alaska Municipal Bond Bank Authority
Juneau, Alaska

We have compiled the accompanying financial statements of the governmental activities and each major fund of Alaska Municipal Bond Bank Authority (the Authority), a component unit of the State of Alaska, as of and for the six month period ended December 31, 2014, which collectively comprise the Authority's basic financial statements. We have not audited or reviewed the accompanying financial statements and, accordingly, do not express an opinion or provide any assurance about whether the financial statements are in accordance with accounting principles generally accepted in the United States of America.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the compilation in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. The objective of a compilation is to assist management in presenting financial information in the form of financial statements without undertaking to obtain or provide any assurance that there are no material modifications that should be made to the financial statements.

Management has elected to omit substantially all of the disclosures required by accounting principles generally accepted in the United States of America. If the omitted disclosures were included in the financial statements, they might influence the user's conclusions about the company's financial position and the results of operations. Accordingly, the financial statements are not designed for those who are not informed about such matters.

The supplementary information on page 4 is presented for purposes of additional analysis and is not a required part of the basic financial statements. The supplementary information has been compiled from information that is the representation of management. We have not audited or reviewed the supplementary information and, accordingly, do not express an opinion or provide any assurance on such supplementary information.

Management has omitted Management's Discussion and Analysis that accounting principles generally accepted in the United States of America requires to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting and for placing the basic financial statements in an appropriate operational, economic, or historical context.

We are not independent with respect to the Authority.

ERM

April 2, 2015

ALASKA MUNICIPAL BOND BANK AUTHORITY
(a Component Unit of the State of Alaska)

Statement of Net Position and
Governmental Funds Balance Sheets

December 31, 2014

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Net Position
ASSETS					
Cash and cash equivalents	\$ 894,157	\$ 1,534,547	\$ 2,428,704	\$ -	\$ 2,428,704
Investments, at fair value	18,180,941	52,884,830	71,065,771	-	71,065,771
Accrued interest receivable:					
Bonds receivable	255	9,969,085	9,969,340	-	9,969,340
Investment securities	50,204	155,179	205,383	-	205,383
Bonds receivable	1,756,650	895,270,000	897,026,650	-	897,026,650
Interfund receivables	1,773,504	-	1,773,504	(1,773,504)	-
Total assets	<u>\$ 22,655,711</u>	<u>\$ 959,813,641</u>	<u>\$ 982,469,352</u>	<u>(1,773,504)</u>	<u>980,695,848</u>
LIABILITIES					
Accounts payable	\$ 22,368	\$ -	\$ 22,368	\$ -	\$ 22,368
Accrued interest payable	-	-	-	10,186,375	10,186,375
Interfund payables	-	1,773,504	1,773,504	(1,773,504)	-
Long-term liabilities - General obligation bonds payable:					
Portion due or payable within one year	-	-	-	22,155,000	22,155,000
Portion due or payable after one year	-	-	-	892,005,000	892,005,000
Total liabilities	<u>22,368</u>	<u>1,773,504</u>	<u>1,795,872</u>	<u>922,572,871</u>	<u>924,368,743</u>
FUND BALANCES/NET POSITION					
Fund balances:					
Restricted	4,956,430	958,040,137	962,996,567	(962,996,567)	-
Unassigned	17,676,913	-	17,676,913	(17,676,913)	-
Total fund balances	<u>22,633,343</u>	<u>958,040,137</u>	<u>980,673,480</u>	<u>(980,673,480)</u>	<u>-</u>
Total liabilities and fund balances	<u>\$ 22,655,711</u>	<u>\$ 959,813,641</u>	<u>\$ 982,469,352</u>		
Net position:					
Restricted				38,767,544	38,767,544
Unrestricted				17,559,561	17,559,561
Total net position				<u>\$ 56,327,105</u>	<u>\$ 56,327,105</u>

See accountant's report.

ALASKA MUNICIPAL BOND BANK AUTHORITY
(a Component Unit of the State of Alaska)

Statement of Activities and
Governmental Funds Statements of Revenues, Expenditures, and
Changes in Fund Balances/Net Position

For the Six Month period Ended December 31, 2014

	General Fund	Debt Service Fund	Total	Adjustments	Statement of Activities
Revenues:					
Investment earnings	\$ 91,414	\$ 376,343	\$ 467,757	\$ -	\$ 467,757
Interest income on bonds receivable	-	20,979,306	20,979,306	-	20,979,306
Total revenues	91,414	21,355,649	21,447,063	-	21,447,063
Expenditures / expenses:					
Debt service:					
Principal payments	-	30,785,000	30,785,000	(30,785,000)	-
Interest payments / expense	-	21,702,251	21,702,251	(264,808)	21,437,443
Professional services	149,772	-	149,772	-	149,772
Personal services	87,563	-	87,563	-	87,563
Administrative travel	5,424	-	5,424	-	5,424
Printing and advertising	3,100	-	3,100	-	3,100
Office expense	622	-	622	-	622
Miscellaneous expenses	26	-	26	-	26
Total expenditures / expenses	246,507	52,487,251	52,733,758	(31,049,808)	21,683,950
Excess (deficiency) of revenues over expenditures / expenses	(155,093)	(31,131,602)	(31,286,695)	31,049,808	(236,887)
Other financing source / (uses):					
Proceeds of bonds payable	-	55,370,000	55,370,000	(55,370,000)	-
Transfers out - escrow account	-	(33,900,000)	(33,900,000)	33,900,000	-
Total other financing sources / (uses)	-	21,470,000	21,470,000	(21,470,000)	-
Net change in fund balance / net position	(155,093)	(9,661,602)	(9,816,695)	9,579,808	(236,887)
Fund balances / net position:					
Beginning of the year	22,788,436	967,701,739	990,490,175	(933,926,183)	56,563,992
End of the year	\$ 22,633,343	\$ 958,040,137	\$ 980,673,480	\$ (924,346,375)	\$ 56,327,105

See accountant's report.

ALASKA MUNICIPAL BOND BANK AUTHORITY
(A Component Unit of the State of Alaska)

Supplemental Schedule of Statutory Reserve Accounts - Assets, Liabilities and Account Reserves

For the Six Month Period Ended December 31, 2014

	1976 General "Special"	2005 Resolution	2010 Resolution	Total
Assets				
Cash	\$ 259,573	\$ 383,025	\$ 9,121	\$ 651,719
Accrued interest receivable	5,146	149,528	500	155,174
Marketable securities	2,746,505	49,743,020	395,305	52,884,830
Interaccount receivables	878,327	-	-	878,327
	<u>\$ 3,889,551</u>	<u>\$ 50,275,573</u>	<u>\$ 404,926</u>	<u>\$ 54,570,050</u>
Liabilities				
Interaccount payables	\$ -	\$ 1,758,757	\$ 10,256	\$ 1,769,013
Bond payable	-	18,890,000	-	18,890,000
Accrued interest payable	-	217,290	-	217,290
	<u>-</u>	<u>20,866,047</u>	<u>10,256</u>	<u>20,876,303</u>
Reserves				
Special Reserve - State Appropriated	696,844	27,349,686	393,086	28,439,616
Special Reserve - Unappropriated	3,278,825	2,088,703	3,970	5,371,498
Special Reserve - Unrealized loss	(86,118)	(28,863)	(2,386)	(117,367)
	<u>3,889,551</u>	<u>29,409,526</u>	<u>394,670</u>	<u>33,693,747</u>
	<u>\$ 3,889,551</u>	<u>\$ 50,275,573</u>	<u>\$ 404,926</u>	<u>\$ 54,570,050</u>

See accountant's report.



\$60,635,000 General Obligation Bonds, 2015 Series One

Deven Mitchell
Executive Director
Alaska Municipal Bond Bank
P.O. Box 110405
Juneau, AK 99811

March 20, 2015

Dear Deven:

With the sale of the Alaska Municipal Bond Bank's General Obligation Bonds, 2015 Series One on February 19, 2015 I have prepared this sale results summary.

The 2015 Series One Bonds were sold by negotiated sale to RBC Capital Markets as senior manager and JP Morgan as co-manager. The table below summarizes the true interest cost, average life and underwriter costs of recent Bond Bank issues, including the 2015 Series One Bonds. As the table indicates, underwriter compensation remains below historical averages and, after a significant run up during the summer of 2013, interest rates have stabilized.

Issue	TIC	Average Life	Underwriter Cost (per \$1,000)
2015 One	2.7652%	8.173	\$2.90
2014 Three	3.3368	13.214	3.09
2014 Two	3.7806	18.742	2.75
2014A One	3.5484	12.374	2.94
2014B One	2.2643	4.318	2.52
2013 Three	4.1274	16.753	3.19
2013 Two	3.4048	11.843	3.20
2013 One	3.6056	17.671	3.15
2012 Three	1.7607	6.387	4.50
2012 Two	2.1554	7.149	4.50
2012 One	1.5210	4.928	3.50
2011 Three	2.5669	7.855	4.01
2011 Two	3.2693	8.277	10.92
2011 One	4.5663	11.373	5.03

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The tone of the municipal bond market leading up to the sale was not particularly good. Tax-exempt rates increased approximately 30 basis points in the two weeks preceding the sale after reaching their lowest levels since May 2013. By the week of the sale, a measure of stability returned to the market.

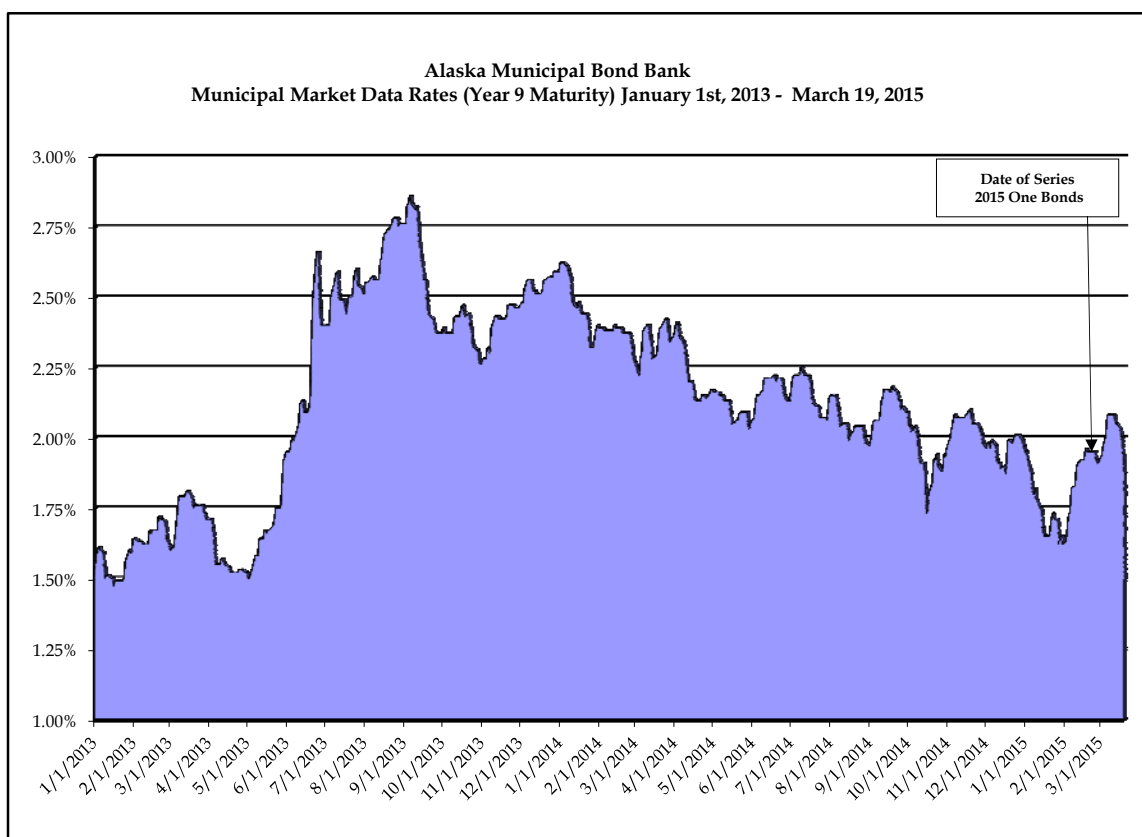
The table below presents the AMBB and MMD scales for sample maturities of the 2015 Series One Bonds with a comparison to the yield spreads to the MMD for the 2013 Series One through the 2014 Series Three Bonds. The yields have been adjusted to reflect the “yield kick” associated with callable premium bonds. The yield kick reflects the yield of a premium bond assuming that bond is called at its first call date, rather than maturing at the stated maturity date. Callable premium bonds are priced to the earliest call date, so the yield associated with the first call date is a more accurate measure of the true yield facing issuers, and allows an apple-to-apples comparison of discount, par and premium bonds.

The results of the 2015 One sale reversed a recent pattern of strong performance compared to the MMD AAA index. The increased spread is a result of the fact that the tax-exempt market was in the midst of an upward rate correction at the time of the 2015 One bond sale. The MMD index notoriously lags market movements. During a period of market stability, the MMD is an accurate benchmark for tax-exempt rates. When rates are either increasing or decreasing rapidly, the MMD’s predictive capacities diminish somewhat.

	MMD (2/19/15)	AMBB (2015 I Bonds)	Difference (2015 I Bonds)	Difference (2014 III Bonds)	Difference (2014II Bonds)	Difference (2014A I Bonds)	Difference (2013 III Bonds)	Difference (2013 II Bonds)	Difference (2013 I Bonds)
Year 1	0.34	0.44	.10	.02	.10	.05	.03	.13	-.02
Year 3	0.89	1.08	.19	.07	.15	.10	.09	.15	.13
Year 5	1.30	1.57	.27	.13	.19	.14	.10	.25	.25
Year 8	1.87	2.24	.37	.19	.24	.24	.29	.34	.38
Year 12	2.35	3.24	.89	.61	.55	.59	.63	.77	.61
Year 14	2.47	3.38	.91	.80	.65	.73	.75	.92	.81
Year 15	2.52	3.53	1.01	.86	.68	.76	.76	.96	.84

Beginning in May 2013 tax-exempt rates began a dramatic upward trend, with rates rising by more than 125 basis points by September 2013. Rates followed a seesaw pattern through the end of 2014 then began the steep increase in rates described above from mid-January through the present. Since mid-January rates have increased 40-50 basis points in reaction to an improving economy and the consequent concerns about coming Federal Reserve rate actions.

The graph on the following page presents the yield on the nine year maturity of a AAA rated bond according to Municipal Market Data. As the graph demonstrates, the past two years have been characterized by fluctuations in the yields of highly rated bonds, with rates hitting recent lows nearly two years ago.



On the morning of February 18th members of the working group convened at RBC's New York office to discuss the marketing the 2015 Series One Bonds.

The intention on the 18th was to enter the market with a focus on retail investors. The yields for the marketing effort on the 18th were fairly aggressive, but in line with where AMBB bonds have priced in recent sales relative to the MMD. The goal was monitor the order flow and, if results were promising, to open up the institutional sale in the afternoon and potentially provide a verbal award by the end of the day on the 18th. RBC provided a proposed scale with yields ranging from 0.39% in 2016 to 3.43% in 2034. The 2015 maturity was sold on a sealed bid basis. These proposed yields resulted in spreads to the MMD AAA scale ranging from 3 basis points in the 2016 maturity to as wide as 70 basis points for the 2034 serial bond which was proposed to be sold at a discount (rather than a 5% coupon). After a review of the scale, consideration of the market tone and comparison with other transactions in the market, WFG recommended moving forward with the sale. RBC pointed out that the retail scale was 3 to 10 basis points more aggressive than the scale it would propose for the institutional order period, but felt that the more aggressive scale was a reasonable starting point to gauge market interest.

Investor response during the retail order period was tepid at best, with a total of slightly more than \$1.2 million in orders out of a total of approximately \$60 million in available bonds. A total of 12 maturities had some retail subscriptions, and the 2033 maturity had nearly half the total with \$490 thousand in orders.

Based on the limited success of the retail order period and the general tone of the market, RBC recommended holding off on the institutional order period until the following day, February 19th. The Bond Bank and WFG agreed that this was a sound strategy.

RBC went into the market with an institutional order period on the morning of February 19th with the institutional order yield adjustments that had been discussed the previous day. Yields ranged from .42% in 2016 to 3.54% in 2034. These yields reflected both the adjustment for the institutional order period as well as the adjustment to the MMD index from the prior day.

During the institutional order period RBC reported solid demand for serial bonds maturing 2020 through 2025, with subscription levels that ranged from 1.0 to 1.5 times. In order to achieve those subscription levels, RBC recommended bifurcating maturities from 2019 through 2023, as there was an institutional buyer that was looking for lower coupon bonds in those maturities. Therefore, \$1.1 million to \$1.6 million serial maturities in those years were created by separating out the principal amounts associated with the Municipality of Sitka's 2008 refunding and the City of Unalaska's 2009 refunding. Unfortunately, there was very little activity in other parts of the structure. With the exception of the lower coupon bifurcated maturity in 2019, the 2016 through 2019 bonds had very few orders. The same was the case with the bonds maturing 2026 through 2034, with the exception of the 2030 bonds which were slightly over-subscribed. The 2030 bonds were marketed at a 4% coupon while the bonds on either side were initially marketed at a 5% coupon. Based on feedback from prospective investors, RBC recommended marketing the 2031 through 2033 bonds at a 4% coupon at adjusted yields ranging from 3.47% in 2031 to 3.57% in 2033. These adjustments produced a benefit to the Bond Bank of between 4 and 10 basis points compared to the kick-adjusted yields using 5% coupons.

Based on the institutional response, RBC recommended increasing yields on the 2016 through 2019 maturities by 2 basis points, the 2025 maturity by 1 basis point, the 2026 maturity by 2 basis points and the 2027 through 2034 maturities by 3 basis points (the yields identified for the 2031 through 2033 maturities cited above included this adjustment). After discussion between Bond Bank staff and Western Financial Group the proposed adjustments were approved and the verbal award was given.

At the conclusion of the institutional order period RBC reported unsold balances of approximately \$31.3 million, which RBC underwrote at the time of the verbal award.

The proceeds of the 2015 Series One Bond sale were provided to two borrowers (Cordova and Craig) for new money purposes. Nine borrowers participated in the 2015 One Bond sale to achieve debt service savings through the refunding of prior Bond Bank bonds. The table below summarizes the estimated present value savings achieved by the participants to the 2015 Series One sale.

Borrower	Loan Par	Gross Savings	Present Value Savings
City of Cordova (New Money)	\$ 1,805,000	\$ 323,000	\$ 250,600
City of Craig	1,810,000	314,800	245,300
Aleutians East Borough	2,205,000	181,875	146,536
City of Cordova (Refundings)	10,940,000	1,170,086	981,433
City of Ketchikan	2,280,000	131,198	129,786
Ketchikan Gateway Borough	2,185,000	235,568	201,219
City of Nome	1,150,000	107,340	95,634
Northwest Arctic Borough	8,670,000	1,012,643	959,455

Borrower	Loan Par	Gross Savings	Present Value Savings
City and Borough of Sitka	6,095,000	591,283	450,631
City of Unalaska	22,215,000	1,915,559	1,921,733
City and Borough of Wrangell	1,280,000	76,955	66,302

The bond sale closed on March 17th in Seattle. As always, it was a pleasure to serve the Bond Bank on this transaction. If you have any questions, please feel free to call me.

Sincerely,



Chip Pierce



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P.O. Box 110405
Juneau, Alaska 99811-0405

Tel (907) 465-2388
FAX (907) 465-2902
E-mail: ambba@revenue.state.ak.us

TO: AMBBA Board Members
Mark Pfeffer, Pam Leary, Luke Welles,
Gregory Gurse, Michael Lamb

DATE: April 6, 2015

FROM: Deven Mitchell, Executive Director **TELEPHONE:** 465-3750

Following are updates on items not covered in the April 9, 2015 Agenda:

HB101-SB46 – Legislation that would authorize the Bond Bank to lend funds to regional health organizations has had several hearings. Legislators appear to be getting more comfortable with the concept. The lobbying effort for the bill has been provided by the Yukon Kuskokwim Health Consortium, who as previously discussed plans to expand and renovate the hospital they operate in Bethel.

Other Legislative action that may impact the Bond Bank program are potential future elimination of the community revenue sharing program, the likely closure of the school debt reimbursement program, and a sharply reduced capital budget resulting in fewer local project match funding opportunities.

Haines Water - The Haines Borough has provided notice that in FY14 the sewer utility failed to meet the Rate Covenant established with the Bond Bank in the AMBBA 2012 Series Three Loan Agreement. The Borough has taken to ensure future compliance by engaging in October 2014 in an internal rate study, with outreach to the community, and with the creation of a revised rate schedule. On February 24, 2015 the Borough Assembly adopted a new water and sewer rate schedule which will step up sewer rates 17% over a three year period. The residential flat rate, the rate paid by most Haines utility customers, will go from the current rate of \$44.40 to \$52.15 after 7/1/2017. The first increase will go into effect May 1, 2015. Elected officials felt strongly that the rate payers should have adequate time to plan for the increased rates. As the increase will only be in place for 2 months of the current fiscal year it is likely the Borough will fail to meet the Rate Covenant again in FY15. The Borough is reviewing the FY15 budget to see where cost savings might be achieved but the operating budget doesn't have a lot of room for reductions. The Borough expects to come into compliance in FY16 with the first full year of increased rates. The Borough provided the attached 3-year budget projection for the sewer fund. On November 21 the Borough submitted the attached material event notice in

accordance with the direction provided at the last board meeting, and has reported all required filings for the current filing period have been made.

AGFOA – April 28-May 1, 2015 Ryan and I plan to attend the Spring AGFOA Conference in Fairbanks, Alaska.

Blue Lake Expansion Project Dedication – May 7, 2015 Mark and I plan to attend the dedication of the Blue Lake Expansion Project in Sitka.

Audit contract – we are beginning the process of re procuring audit services for the Bond Bank.

Underwriting Pool – I plan to update the group of underwriters in the Bond Bank's pool in June. We currently have RBC Capital Markets, JP Morgan, KeyBanc Capital Markets, and Morgan Stanley in our pool. I have not seen Morgan Stanley representatives in approximately 2 years, and while I have bumped into KeyBanc underwriting representatives in Alaska and elsewhere, they have not met with me to provide any market or Bond Bank specific information for over 2 years.

HOUSE BILL NO. 101

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTY-NINTH LEGISLATURE - FIRST SESSION

BY REPRESENTATIVES HERRON, Edgmon, Kito

Introduced: 2/11/15

Referred: Finance

A BILL

FOR AN ACT ENTITLED

1 **"An Act relating to the Alaska Municipal Bond Bank Authority; authorizing the Alaska**
2 **Municipal Bond Bank Authority to issue bonds or notes for a regional health**
3 **organization; and providing for an effective date."**

4 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

5 * **Section 1.** AS 44.85.005 is amended to read:

6 **Sec. 44.85.005. Legislative findings.** The legislature finds that

- 7 (1) the rapid growth of municipalities in the state and the incorporation
8 of new municipalities has created a demand for capital improvements that can only be
9 met by these municipalities borrowing money through the issuance of bonds or notes;
10 (2) many of these municipalities, although creditworthy, either have
11 not issued bonds or notes or have little outstanding debt;
12 (3) the cost of borrowed money to these municipalities is or may be
13 unnecessarily high due to lack of investor familiarity with the municipalities;
14 (4) other municipalities in the state pay unnecessarily high borrowing

costs because of the distance of the state from capital markets or may find borrowing difficult or impossible because of temporary economic dislocation due to loss of employment or prospective loss of employment;

(5) the University of Alaska has limited debt capacity and may pay higher interest rates because of lower credit ratings;

(6) many municipalities provide for or partner with nonprofit organizations to provide for delivery of health care;

(7) nonprofit regional health organizations deliver services in many locations where municipal partners are unavailable.

* Sec. 2. AS 44.85.010(a) is amended to read:

(a) It is the policy of the state to

(1) foster and promote by all reasonable means the provision of adequate capital markets and facilities for borrowing money by municipalities in the state to finance capital improvements or for other authorized purposes, to assist these municipalities in fulfilling their capital needs and requirements by use of borrowed money within statutory interest rate or cost of borrowing limitations, to the greatest extent possible to reduce costs of borrowed money to taxpayers and residents of the state, and equally to encourage continued investor interest in the purchase of bonds or notes of municipalities as sound and preferred securities for investment;

(2) encourage municipalities to continue their independent undertakings and financing of capital improvements and other authorized purposes and to assist them by making capital funds available at reduced interest costs for orderly financing of capital improvements and other purposes especially during periods of restricted credit or money supply, particularly for those municipalities not otherwise able to borrow for capital needs;

(3) assist municipalities to provide for adequate insurance coverage by authorizing the Alaska Municipal Bond Bank Authority to issue negotiable or nonnegotiable revenue bonds, notes, or certificates of participation either directly or through an entity it may create for the purpose of providing a self-insurance program for municipalities or municipal joint insurance arrangements organized under AS 21.76;

(4) assist governmental employers to prepay all or a portion of their share of unfunded accrued actuarial liabilities of retirement systems in an effort to reduce their costs of satisfying their contractual obligations to provide retirement and other benefits to public employees through the issuance of bonds, notes, commercial paper, or other obligations by the bond bank authority or by a subsidiary corporation created by the bond bank authority under AS 44.85.085, but only if the state bond rating is the equivalent of AA- or better; this assistance is limited as provided in AS 37.15.903;

(5) assist the University of Alaska to provide heating or energy projects by providing capital funds through loans that minimize costs and the effects on the debt capacity of the University of Alaska;

(6) assist regional health organizations to provide health care facilities by providing capital funds through loans that minimize costs and the effects on the debt capacity of regional health organizations when the commissioner of health and social services anticipates a state financial benefit and an increase in regional quality of care.

* Sec. 3. AS 44.85.090 is amended to read:

Sec. 44.85.090. Limitations. Under this chapter, the bond bank authority may not

(1) make loans of money to a person, firm, or corporation other than a municipality, [OR] the University of Alaska, **or a regional health organization** or purchase securities issued by a person, other than a municipality, except for investment as provided in this chapter;

(2) emit bills of credit, accept deposits of money for time or demand deposit, administer trusts, or engage in any form or manner in, or in the conduct of, a private or commercial banking business, or act as a savings bank or savings and loan association;

(3) be or constitute a bank or trust company within the jurisdiction or under the control of a regulatory or supervisory board or department of the state, or the Comptroller of the Currency of the United States, or the Department of the Treasury, or Federal Reserve Board of the United States; or

1 (4) be or constitute a bank, banker, or dealer in securities within the
 2 meaning of or subject to the provisions of securities, securities exchange, or securities
 3 dealers law, of the United States or of this state or of another state.

4 * **Sec. 4.** AS 44.85.180(e) is amended to read:

5 (e) Notwithstanding (a), (b), and (c) of this section, the bond bank authority
 6 may issue its bonds or notes

7 (1) in principal amounts not to exceed \$87,500,000 for the purpose of
 8 making loans to the University of Alaska; and

9 (2) in principal amounts not to exceed \$250,000,000 for the
 10 purpose of making loans to a regional health organization.

11 * **Sec. 5.** AS 44.85.410(4) is amended to read:

12 (4) "municipal bond" means a bond or note or evidence of debt that
 13 constitutes

14 (A) a general obligation bond that is a direct and general
 15 obligation of a political subdivision of the state, all the taxable property within
 16 which is subject to taxation to pay the bond, note, or evidence of debt, and the
 17 interest without limitation, as to rate or amount generally to the extent
 18 permitted by law or to avoid a default as provided for second class cities under
 19 AS 29.45.590;

20 (B) a revenue bond issued by a municipality, the University of
 21 Alaska, a solid waste management authority, or a port authority that pledges
 22 the revenue of a revenue-producing capital improvement and that is payable
 23 solely from the revenue of the revenue-producing capital improvement;

24 (C) a general obligation bond or revenue bond combined or
 25 additionally secured;

26 (D) a bond of a borough issued as a general obligation of a
 27 service area under AS 29.47.440 or former AS 29.58.340; [OR]

28 (E) an obligation of a municipality secured only by

29 (i) special assessments on benefited property;

30 (ii) tax increments and a letter of credit or equal
 31 security; or

1 (iii) a lease; or

2 (F) a bond, note, or other obligation of a regional health
3 organization that is a general obligation of the regional health
4 organization, that is secured by a pledge of a special fund of the regional
5 health organization, or that is a combination of them or additionally
6 secured;

7 * Sec. 6. AS 44.85.410 is amended by adding a new paragraph to read:

8 (9) "regional health organization" has the meaning given in
9 AS 18.28.100.

10 * Sec. 7. This Act takes effect immediately under AS 01.10.070(c).



HAINES BOROUGH

91 Sewer Fund 3-Year Budget Projection

	FY16 DRAFT	FY17 DRAFT	FY18 DRAFT
REVENUES (with proposed rate increases)			
Sewer Service Revenue	\$ 429,000	\$ 449,500	\$ 467,400
Miscellaneous Revenue	4,900	5,000	5,100
	<u>433,900</u>	<u>454,500</u>	<u>472,500</u>
EXPENDITURES			
Payroll Expense	\$ 79,337	\$ 81,729	\$ 84,203
Supplies, Postage, M&E	24,376	24,966	26,271
Professional & Contractual	8,000	8,160	8,323
Travel, Training, & Dues	4,505	4,607	4,711
Banking & Insurance	14,000	14,350	14,709
Utilities	87,750	90,383	93,094
Maintenance & Repairs	20,500	20,500	20,500
Principal	49,500	49,500	49,500
Interest	43,749	42,511	42,511
Other Miscellaneous Expense	5,403	5,559	5,721
Work Orders	16,235	16,474	16,718
	<u>353,354</u>	<u>358,740</u>	<u>366,260</u>
ALLOCATED EXPENSE	60,065	61,567	63,106
TOTAL CASH EXPENDITURES & ALLOCATED EXPENSE	413,419	420,306	429,366
REVENUE OVER (UNDER) CASH EXPENDITURES & ALLOCATIONS	20,481	34,194	43,134
Depreciation Expense	241,390	363,804	367,442
EXCESS REVENUE OVER (UNDER) EXPENDITURES,	<u>\$ (220,909)</u>	<u>\$ (329,610)</u>	<u>\$ (324,308)</u>
Rate Covenant Hurdle	109,024	107,476	105,930
Expected "Net Revenues"	113,730	126,205	135,145